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"Precisely because they respect within their own borders competition, civil liberties, property rights, and the rule of law, democracies are the only reliable foundation on which a new world order of international security and prosperity can be built."

The Global Imperative: Building a Democratic World Order

BY LARRY DIAMOND

The great irony behind America's successful containment of communism over four and a half decades is that we were not prepared for victory in the cold war. The collapse of Communist regimes, the evaporation of Marxism as a mobilizing ideology, and the extinction of Leninism as a worldwide movement have created a volatile, dangerous, and in some respects ugly and traumatic new world in which regimes, boundaries, identities, and resources will be vigorously and often bloodily contested.

In the absence of the defining struggle between East and West, communism and democracy, we are left with a fluid, fragmented, and multipolar world struggling against the older, more traditional enemies of civilization: militarism, expansionism, ultranationalism, ethnic chauvinism, religious extremism, and anarchy.

While this world does not threaten instant mutual annihilation the way the cold war did, it is in some ways more perilous, precisely because it presents multiple threats that are more likely to explode into real violence. Moreover, the period is one of increasing strain in Western alliances, intensifying danger to the global ecosystem, growing links among criminal and terrorist networks, and expanding access to weapons of mass destruction (and to sophisticated conventional weaponry as well).

As in 1919 and 1945, democracy enjoys renewed momentum and possibilities in the world, but it also faces great uncertainties. As in both previous postwar eras, new global structures and alliances must be constructed to secure the goals of peace, security, prosperity, and democracy. Now as in 1945, only one nation stands capable of leading and organizing the world toward these ends: the United States. And now as then, the United States urgently needs a new foreign policy doctrine for the purpose.

The strategy that guided our foreign policy from the ashes of World War II—containment—is gone with the cold war's end. Under a president, George Bush, who mocked the very notion of vision in policymaking, no unifying principle or grand strategy was offered in place of containment. As a result, American foreign policy drifted from one crisis to the next, rudderless and incoherent. This did not keep us from doing what needed to be done to roll back Iraqi aggression in the Persian Gulf in 1991, or to save hundreds of thousands of lives in Somalia in 1992–1993. But in the absence of a grand vision, we have lacked a calculus for determining when and how to intervene abroad. In its first year, the administration of President Bill Clinton has struggled to articulate such a global strategy, most compellingly in National Security Adviser Anthony Lake's concept of "enlarging" the global community of market-oriented democracies.

"Enlargement" is a logical and appealing successor to "containment." But absent a clear method of calculating American interests and means, and a firm projection of American will, it has failed to prevent the sorry spectacles of American confusion and retreat in Bosnia, Somalia, and Haiti. Such failures are costly, for they signal to every dictatorship in the world that the United States, and the international democratic commu-

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nity (whether in the form of the UN, NATO, or an ad hoc coalition), can be driven from confrontation by thugery and intimidation, thereby inviting the very behaviors that need to be contained and deterred. Moreover, by sowing grave doubts among allies about our vision and steadfastness, they undermine American ability to lead the Western alliance toward a coherent and vigorous approach.

The mistakes of the Bush administration were no less serious: allowing Saddam Hussein to think he could get away with gobbling up Kuwait, thus causing a war the United States should never have had to fight; standing by in the face of Serbian aggression and genocide in the Balkans; dithering for too long on the sidelines while Russia struggled to implement democratic and market-oriented reforms; dawdling while anarchy bred famine in Somalia; failing to confront the Chinese on their proliferation of arms; abiding the human rights outrages of tyrants from Myanmar to Sudan.

Significantly, almost all these have been errors of omission—of hesitation, inaction, and indecision. They stem from the failure to think through the essential interests and mission of the United States in a new world of peril and promise. In nearly 50 countries, civil wars or violent insurgencies rage, and many threaten to become wider conflicts. As urgently as in the aftermath of World War II, America needs a new doctrine to guide its engagement.

The United States stands now at a decisive moment. We could turn inward again, into a neo-isolationism that largely eschews international responsibilities and commitments. We could fall back on the “realist” belief that ideals are superfluous, that only our own military security and material interests matter, and that the United States should therefore pursue economic advantage wherever possible while seeking to maintain a global “balance of power.” We could press forward with an internationalist commitment to maintain global order, but do so unilaterally, from a narrow calculation of American interests at this “unipolar” moment, with the United States the only remaining superpower.

There is, however, another choice, the only one that confronts the fundamental threats to global order, and thus offers hope of enhancing international peace and security in the years ahead. It is the path of democratic globalism, of building with our allies a new world order on the twin foundations of democratic governance and collective security. It combines a global strategy for promoting democracy with new and strengthened international institutions and alliances for collective security. In itself, it does not address every global problem we face. In the same spirit of international cooperation and democratic leadership, we will need to work with allies to meet the great economic and environmental challenges of our time, such as liberaliz-

ing world trade, re-igniting third world development, preserving biological diversity, and saving our oceans and atmosphere. Nor can it resolve every conflict or tame every savagery now bursting out. Among its central strategic premises is that political and economic resources—both of the United States and of the international community of democracies—are limited, and that we will therefore have to make tough choices about when and where to intervene. However, as a successor to containment, democratic globalism is the only foreign policy strategy that can reconcile America’s vital interests, ideals, and resources in the post-cold war world.

AMERICA’S REAL INTERESTS

In the most generic terms, our national interests remain what they have always been: to protect the United States and Americans abroad; to safeguard our political freedom; to promote our economic prosperity; and toward these ends, to foster friendly relations with other countries. However, in an increasingly integrated world, protecting our traditional interests requires an increasingly global perspective.

More than ever before, we must worry about political and economic conditions in other countries. Regions and nations such as Europe, Japan, Israel, and, increasingly, South Korea and Taiwan share so much with the United States economically, politically, and culturally that their security must be considered intimately bound up with our own. Still others are important because of their potential military threat to the United States (Russia), their control of vital resources (the Persian Gulf), the sheer size of their markets (China, India, Mexico, Brazil, Indonesia, and Russia again), the threat they pose to the security of our allies (Iran, Iraq, North Korea), their proximity to our borders (Haiti, Cuba, and Mexico), or at a minimum, because of the Americans living and doing business there.

Realist thinkers often contend that such tangible national interests conflict with our moral or idealistic interest in democracy and human rights. Certainly we will confront painful tensions and trade-offs. But this view misses the powerful and growing linkages between our moral interest in the expansion of democracy and our “real” interests in a safe, secure, free, and prosperous America.

The experience of this century bears important lessons. Democratic countries do not go to war with one another. Democracies do not sponsor terrorism against one another. They do not build weapons of mass destruction to use on one another or threaten each other with. Democratic countries are more reliable, open, and enduring trading partners. In the long run they offer better and more stable climates for investment. They are more environmentally responsible because they must answer to their own citizens

who organize to protest the destruction of their environment. They are better bets to honor international treaties, since they value legal obligations and because their openness makes it much more difficult to breach agreements secretly. Precisely because they respect within their own borders competition, civil liberties, property rights, and the rule of law, democracies are the only reliable foundation on which a new world order of international security and prosperity can be built.

More than ever before in world history, democratic governance *within* nations is an *international* concern. Increasingly, the world community, international legal and political theorists assert, is evolving a shared expectation that all states that seek international legitimacy should manifestly “govern with the consent of the governed”—in essence, a “right to democratic governance.”¹ Although not explicitly articulated, this right is already implied by the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights, which guarantee to “every citizen” the rights of free expression, association, and political participation, the right to periodic and genuine elections, and due process, among other rights. Collectively, these provisions advance standards of constitutional democracy to which the signatory nations are legally committed.² In addition, several regional covenants, including provisions of the European Community, the Organization of American States, and the Conference on Security and Cooperation in Europe, compel member states to adhere to similar, and in some cases even more explicit, democratic standards (including minority rights).

There are also increasingly dense and manifest linkages between our real economic and security interests and our moral interest in the rights of all peoples to freedom, dignity, security, and cultural autonomy. Aggression, genocide, “ethnic cleansing,” religious and ethnic violence—all violate established principles of international order. For this reason alone, a world concerned about building a global rule of law must confront them. With the decay of class-based “anti-imperialist” and other political and ideological identities and cleavages, extremist, fundamentalist religious, ethnic, and nationalist sentiments have become the main threats to peace, stability, and human rights.

In a context of acute political and economic turbulence, large parts of the world are at risk of drowning in a sea of ethnic and religious bloodshed unless new

constraints can be mobilized. Wherever possible, political institutions must be structured (through federalism, power sharing, and careful design of electoral laws) to generate internal constraints through what Donald Horowitz calls “incentives to moderation.” However, in at least some cases—and Bosnia and Herzegovina is clearly one—only the international community can impose these constraints, and only the credible threat or application of military force can make them effective.

With ethnically based violence raging in so many countries, the descent toward a generalized explosion of ethnic, national, and religious conflict around the world is already far along. If such an explosion occurs, terrorism would mushroom, religious cleavages would harden internationally, and multinational countries like the United States would be wracked by divisions among the national and religious kin of warring communities abroad. Developments such as these would suck the breath out of any hope for peace, progress, and security in the post-cold war world.

LIMITS AND LEADERSHIP

Clearly it is in the interest of the United States and the international democratic community collectively to try to prevent a descent into a Hobbesian world of ethnic warfare and nationalist aggression. However, our interests and ideals reach further than our means. Even with all the resources that might conceivably be mobilized by the community of democratic nations, we cannot forcibly intervene in all or even most conflicts. Already the commitments of United Nations peacekeeping forces are stretched very thin, and there is little appetite among member nations for new engagements. If one discounts the UN-sanctioned intervention in the Korean War, the UN peacekeeping missions mounted recently in Cambodia, Yugoslavia, and now Somalia have all been larger, costlier, and more complicated than anything the UN had previously attempted.

These limits apply even more poignantly to the United States role in global peacekeeping. One reason collective military interventions must be limited is because they will tend to depend disproportionately on American involvement, especially America’s ability to deliver military forces by land and sea and provide command and control, heavy weaponry, satellite intelligence, and so on. There may be times when the United States must be prepared to intervene unilaterally if international and regional organizations such as the UN, NATO, and the Organization of American States refuse to act. But our capacity for unilateral military action will be even much more limited than our ability to participate in collective efforts, carrying not only undue military and economic burdens but considerable political costs as well.

None of this means that the United States cannot or should not lead in the effort to build a democratic

¹See Thomas Franck, “The Emerging Right to Democratic Governance,” *The American Journal of International Law*, vol. 86, no. 46 (1992), p. 50.

²See Morton H. Halperin, “Guaranteeing Democracy,” *Foreign Policy*, Summer 1993, pp. 105–122, and “Toward a Global ‘Guarantee’ Clause,” *Journal of Democracy*, vol. 4, no. 3 (July 1993), pp. 60–69.

world order. But several implications are inescapable. First, American leadership, to be effective, must unlock the collective resources of other established democracies and the wider international community. Second, the United States must increasingly organize foreign policy around the pursuit of collective approaches to international security, the promotion of democracy, and the defense of human rights. Third, we must spend more effectively those resources we devote to national security and world affairs; this requires not only an aggressive review of our foreign policy and foreign aid priorities but also radical reorganization of the military to reduce redundancy in force structure. Fourth, the United States, and the international community, will have to make painful choices about when and where to intervene. Finally, where the United States commits its forces to active combat, unilaterally or as part of a larger community, the aims must be clearly articulated, the criteria for success clearly defined, the path out of conflict clearly envisioned, and the force fully adequate to accomplish the given aims.

CONSTRUCTING COLLECTIVE SECURITY, AND ACTING IN BOSNIA

Collective security has several dimensions. First, it means that security must be construed as a shared condition. It is not enough for the United States to be secure; so must its allies and economic partners. If there is a single lesson to be derived from the century's two world wars, it is that regional threats to peace and security have a way of spreading. Where our national and collective interests are most directly challenged, and where the costs are manageable, regional aggressors and oppressors must be confronted militarily—defeated if possible, or at a minimum contained. Even though the international community will not be able to confront all aggression and abuses with force, it can mobilize some kind of punitive response (at least diplomatic and economic) to every serious transgression. And it should, at a minimum, leave tyrants around the globe in doubt as to whether their aggression and self-aggrandizement might not trigger international action that could cost them dearly.

A related dimension of collective security is the need to establish and maintain a global system of law and order. The law-abiding nations of the world must try to give life to the overarching principle, already well elaborated in so many international covenants, that all governments, authorities, and peoples of the world are subject to common laws and constraints, that these are enforceable by international institutions, and that violators will be subject to harsh punishment. Deriving from this is the still evolving but increasingly powerful principle of an entitlement to democratic governance and therefore the right—even the obligation—of the international democratic community to act collectively when this principle is violated by the violent overthrow

of a democratic, constitutional regime. This global rule of law would also recognize that civil wars can have regional and international repercussions, and that mediation and control of them is a proper concern of the international community. Not least, it would include much more comprehensive, intelligent, and internationally coordinated assaults on the proliferating global networks for terrorism, narcotics trafficking, financial fraud, political bribery, money laundering, illegal weapons trading, and other crimes.

Particularly needed is an international mechanism for imposing targeted sanctions (as we have begun to do in Haiti) on the ruling elites who are directly responsible for violating international laws and accords and resisting popular demands for democracy, so that pain and pressure can be pinpointed on them and not inflicted indiscriminately on an already suffering general population. The international community, ideally acting through the UN, must have the ability to freeze the personal assets of these elites worldwide and to deny them and their families visas to enter any law-abiding country. This will require intensive new efforts to gather international financial and political intelligence, radical changes in international banking practice, and probably a new international covenant.

These first two dimensions of collective security imply a third: shared responsibility. The United States may be the only superpower left at the end of the cold war, but it is not the power it was 40 years ago. As George Bush warned in 1989, we have “neither the will nor the wallet” to go it alone. If our role as the leader of a democratic global alliance is to remain politically and financially viable at home, our allies must shoulder more of the military, political, and financial burden. It is not in the interest of world peace for Germany or Japan to lift its postwar ban on offensive operations abroad by its armed forces, but both should be prepared to deploy troops as part of international (UN) and allied peacekeeping missions. Global stability also requires that these two economic powerhouses assume greater political responsibility, including permanent (nonveto) seats on the UN Security Council.

Shared responsibility will require new, expanded, and revitalized alliance structures to maintain global security as well as prosperity. The Group of Seven countries (Canada, Britain, France, Germany, Italy, Japan, and the United States) must enlarge their annual agenda to coordinate their global diplomatic and security as well as economic policies. So long as it remains democratic, Russia should be invited to continue to participate in these meetings, reflecting a commitment to its inclusion in the concert of great (democratic) powers.

NATO must also redefine its mission, now that its original rationale—the threat of a Soviet invasion of Western Europe—is gone. Two obvious challenges await it: maintaining peace within a Europe no longer

divided but now rent with national and religious animosities, and maintaining, through the capacity for rapid ground deployment and naval and air engagement, the security of the strategically vital Persian Gulf. Both challenges require the continued participation of American forces in NATO: to maintain allied readiness for joint military action, to preserve a balance of power in Europe, and to underscore America's commitment to that group of nations whose stability is strategically, economically, and culturally vital to its own.

Stability in Europe will also require enlarging the EC and NATO to incorporate the emerging democracies of eastern Europe and the former Soviet Union into the democratic West. Former Warsaw Pact armies, especially Russia's, should continue to be involved in growing cooperation and joint exercises with NATO forces. Eventually, if their democracies become firmly established, their complete integration into NATO would be warranted, symbolizing their maturation into full partners of the Western alliance and strengthening the alliance's capacity to maintain order in Europe and the Middle East.

In the nearer term, the consolidation of these struggling new democracies would be greatly aided by closer economic and political ties—especially more foreign investment and liberalized trade—with the West. Broadening the EC to include eastern European countries (as well as Turkey) is therefore a more urgent priority than deepening the Community through tighter integration at this time. European and American security require that the post-Communist regimes of eastern Europe and the former Soviet Union successfully negotiate the transition from socialism and consolidate democratic institutions and values. Economic collapse or authoritarian resurgence would not only generate intense refugee pressures in the West; it would also ignite a host of new violent conflicts among ethnic and nationality groups and competing ideologies, mutilating borders and human rights as brutally as in the former Yugoslavia. Already, a much less publicized civil war in Tajikistan has resulted in tens of thousands of deaths, half a million refugees, and hideous atrocities on both sides, while civil war in Georgia and the war between Armenia and Azerbaijan over Nagorno-Karabakh claim countless more casualties.

Real collective security also calls for the development of new international and regional capacities for keeping—and if necessary, making—the peace. Even where NATO or the United States itself takes the lead, the UN will remain a vital instrument for mobilizing the international will and legitimacy to confront aggression and the kind of gross violations of human rights and international law that have been seen in Croatia and Bosnia. As former Secretary of State George Shultz and others have asked, what do the principles of “Never forget, Never again” mean if we are not prepared to intervene to stop genocidal rape and slaughter and to

punish those responsible for these crimes against humanity, especially on European soil?

If such collective intervention is to be effective and sustainable, it will require definite criteria for when and how far to intervene, and a thorough reorganization of the collective means to do so. Five criteria must guide the international community in reaching a decision on the use of force:

- whether or not a conflict threatens the security and vital interests of the democracies
- the degree to which the situation offends moral principles and international laws
- the potential for the conflict to spread, either to neighboring countries, or more broadly, by rallying cultural, religious, or what Samuel Huntington calls “civilizational” alliances
- the failure or utter implausibility of invoking noncoercive (such as diplomatic and economic) means, and
- the potential for success with the resources and cooperation that could conceivably be mobilized.

The conflict in Bosnia meets all these criteria. With its activation of much wider ethnic and especially religious identities and affinities, with Serbian ethnic cleansing advancing against Albanians in Kosovo and Hungarians in Vojvodina, and with the danger of future aggression against Macedonia and Albania, the potential for the extensive involvement of other European, Slavic, and Muslim nations is growing. Greece's promise of support for Serbia—just when it is about to assume the presidency of the EC, and when its long-standing rival, Turkey, strongly backs the Bosnian Muslims—is particularly worrisome. So is the message of Western paralysis received by many other violently opportunistic ethnic chauvinists clawing their way to power and territory in the former Soviet empire. The Bosnian conflict strikes at vital strategic interests of the United States and the West, which include the unity of NATO, the stability of eastern Europe, and the continued cooperation of moderate Islamic nations like Turkey and Egypt. Morally, the fighting in Bosnia has produced the worst outrages in Europe since the Holocaust. Diplomacy and sanctions, in the absence of credible force, have failed to find a solution that does not grotesquely reward Serbian aggression.

Tragically late as it is, it is still morally and politically imperative that the democratic nations of the world finally take a forceful stand against aggression in Bosnia. It is not too late for Western air strikes on Serbian positions to ease and perhaps break the siege of Sarajevo, to destroy Serbian aircraft on the ground in

Serbia, and to back up new diplomatic initiatives for a settlement that does not reward ethnic cleansing and violent border changes while leaving unarmed Muslim ghettos helpless before an onslaught of Serbian aggression. It is not too late to lift the international arms embargo so that the Bosnians can effectively defend themselves, while shoring up the economic sanctions against Serbia by substantially compensating its neighbors, such as Hungary, for the severe economic losses they have suffered in maintaining the sanctions. It is not too late for the United States to lead, cajole, and shame the Western alliance into such a minimally assertive defense of its own interests and principles. It would be better to withdraw European troops of the UN Protective Force (UNPROFOR) than to use them as a shield for Western timidity or as guarantor of an unjust and unworkable peace. It would be far better for the United States to employ air power now than to commit 25,000 of its ground troops to the perilous and disturbing task of trying to preserve an immoral and unsustainable partition of Bosnia. As former British Prime Minister Margaret Thatcher, George Shultz, and several dozen other Americans and Europeans proclaimed last September in an eloquent statement, "Empty threats have a perverse effect."³ If the West does not use force to punish the Serbs and diminish their military dominance, humanitarian efforts will be rendered largely pointless, and Western "resolve" a cruel hoax.

THE PLACE FOR THE UN

Even with 25,000 troops UNPROFOR has been pathetically ineffectual in the Balkan conflict, repeatedly failing to obtain compliance with agreements. Despite the heartening success of the elections last May, the United Nations Transitional Authority in Cambodia failed to rein in or face down the Khmer Rouge, leaving the elected transitional government with a dangerous military challenge it cannot quash anytime soon. These experiences and others—most spectacularly, the disastrously underfunded and understaffed UN Angola Verification Mission—teach us that UN forces should not be committed without the coherent strategy, mandate, resources, and logistical preparation needed to accomplish their mission, and also that where such forces face a situation that requires a mandate and resources beyond what the UN is willing to authorize, they should be pulled out.⁴

Future United Nations security missions must sometimes be prepared not only to stand and observe but to fight to make and enforce peace. Warring parties that

clearly reject UN-mediated peace processes and seek to monopolize power by force—such as the Khmer Rouge, the Serbian armies, and the National Front for the Total Liberation of Angola (UNITA)—must be isolated internationally and confronted militarily. Any UN peacekeeping mission of this nature must be authorized by the Security Council, clearly and in detail. It will require much greater commitments of troops and weapons, an explicit mandate to engage in offensive combat operations where necessary, and major improvements in command and control.

For global peace enforcement, the Security Council should have available a substantial array of predesignated forces (numbering at least 100,000 troops) ready to be deployed in 48 hours from a number of key countries. The rapid deployment of such a force will remain dependent on unique United States military capacities for air and sea lift. Ultimately effective collective security may require creation of independent UN institutions for training officers and troops, and possibly a standing United Nations peace force. Precisely because the UN is still such a long way—politically, bureaucratically, and militarily—from possessing this capacity, NATO will be vital to peacemaking in Europe, the Middle East, and perhaps beyond for many years to come, and offers the best instrument for allied military intervention in Bosnia.

Broader changes must also come. The UN is too vital to collective security to allow it to muddle through at its current levels of inefficiency and corruption. The United States and its democratic allies must demand thoroughgoing reform of the UN bureaucracy, pruning waste and excess staff while establishing rigorous procedures and autonomous institutions to enforce accountability. In exchange for these reforms, the United States must pay its back dues (as we are now in the process of doing) and keep current in these payments (while pressing to reduce our financial share to a level commensurate with our diminished share of world income). The president must convince the American people that a reformed and strengthened United Nations is vital to avoiding chaos or American unilateralism in world affairs. Both those options would be considerably more costly for the United States than the investment in a more active and effective UN.

At the same time the United Nations must enhance its capacity to administer war-torn and anarchic countries like Cambodia and Somalia, and people at risk, such as the Kurds of northern Iraq. Some form of administration and peacekeeping may be required in these countries for many years, while transitional governments gradually establish the legitimacy and capacity to govern without a renewed outbreak of hostilities or atrocities. Abrupt termination of the UN presence in Cambodia in particular could lead to renewed civil war and new atrocities by the Khmer

³"What the West Must Do in Bosnia," *The Wall Street Journal*, September 2, 1993.

⁴See Stephen John Stedman, "The New Interventionism," *Foreign Affairs*, vol. 72, no. 1 (1992–1993), pp. 1–16.

Rouge, which would make waste of the most expensive investment (close to \$3 billion) in the UN's history.

This points to another consideration that should weigh heavily in allocating resources for collective security operations: missions that have been begun should be continued to a successful conclusion. It is much better for the international community to pick a few countries in which to intervene effectively against war, oppression, and anarchy—and to commit the resources necessary to succeed—than for it to intervene in many countries, but so briefly and superficially that it is unlikely to accomplish much in any of them. The recent debacle of underarmed American monitors retreating from a band of thugs in Haiti shows that a hasty and hesitant intervention is far worse than none at all (both for the country in question and for American and international credibility). To reiterate, before we intervene, we must plan coherently and realistically, and commit the necessary force and organization. When we do intervene, we must stay the course until peace and legitimate government is restored, unless it becomes manifest that the cause is hopeless, or the price simply not worth paying.

Sustained political and military intervention raises difficult questions of sovereignty. But a world that values order, law, peace, decency, and human rights can no longer treat sovereignty as an absolute right. Where absolute sovereignty conflicts irreconcilably with human rights, arms control, and collective security, the latter principles must prevail, even at the financial and political cost of many years of international peacekeeping or trusteeship.

The international community must also enhance its capacity to monitor developments related to collective security and human rights, such as through the UN Human Rights Commission and a new High Commissioner on Human Rights. In most places the democratic world will not be able to intervene with force, but it must nowhere turn a blind eye to human rights and humanitarian crises. Even where (as in Myanmar) such fact-finding will not satisfy the criteria for collective armed intervention, it may produce some actions, such as sanctions against oppressors and various forms of aid to their victims, that can afford some justice and reinforce the boundaries of permissible behavior.

The active promotion of democracy and human rights must be a major pillar of our strategy for building a new world order, no less important than the pursuit of collective security. It should be obvious, however, that political assistance to help develop democratic parties and governmental institutions and to nurture democratic values and capacities among independent organizations and media, is far more cost effective financially and far easier politically than is intervention

to restore an overthrown democracy—or to quell a civil war that erupts from the failure of democracy. If Americans do not want to be battling all over the world one epidemic of violence and hate after another, or living with the perilous consequences, they should embrace a preventive strategy with enthusiasm. This requires that we use every instrument available—the National Endowment for Democracy, the Agency for International Development, the United States Information Agency, trade liberalization, and debt relief—to aid struggling new democracies, both politically and economically, in consolidating their institutions. Only then can they join us as full and stable partners in the quest for a democratic world order.

STAYING THE COURSE

Ultimately, the most important reason the democratic nations of the world won the cold war was their tenacity. Moral right was on their side. Human aspirations for freedom and dignity were on their side. But had they grown weary of the struggle, had they—as many began to suggest in the 1970s and 1980s—withdrawn their troops from Europe and Asia, had they slashed their defense budgets and retreated from their global commitments, had they failed to support in myriad ways the struggles for democracy and freedom abroad, had they allowed their coherence and collective will to disintegrate, it is doubtful that the cold war would have ended as it did or when it did. And it is doubtful that communism would have been destroyed as an international movement.

In a new world of more diffuse and seemingly modest threats, of more decentralized power and more limited American means, staying the course may be far more difficult. It will require that the United States not only maintain its global political leadership and refurbish its economic strength, but that it preserve the military ability to provide the backbone and logistics for collective security.

We are present at the creation of a new world order; historically, this is always a dangerous and momentous time. If we fashion as a successor to containment a doctrine of democratic globalism; if we recognize the need for continued American leadership, but within a new, much more authentically collective framework; if we understand that this global leadership must involve our continued military, economic, and diplomatic engagement throughout the world; if we hold fast to our democratic principles, then a truly new world order is within the reach of the next generation. If we shrink now from these challenges of global leadership and vision, the world we inherit will be new only in the weapons that people and nations employ to brutalize and destroy one another. ■

"Washington's role is not to conduct glorious utopian crusades around the globe...or to provide a pot of cash for the secretary of state to pass out to friendly regimes to increase United States influence abroad... [T]he money and lives of the American people are not there for policymakers...to expend for purposes other than defending the American community."

Keeping the Troops and the Money at Home

BY DOUG BANDOW

We are living in exciting times. Who would have believed when George Bush was elected president that a year later the Berlin Wall would fall? That non-Communist governments would take power throughout Eastern Europe, Germany would reunite, and the Soviet Union would disintegrate? That the menace of aggressive Soviet communism would disappear? That the chairman of the Joint Chiefs of Staff Colin Powell would admit, "I'm running out of villains. I'm down to Castro and Kim Il Sung?"

In this dramatically changed world the interventionist stance that has dominated United States foreign policy for nearly five decades must be reexamined. The United States will be a global power, but what kind of power? Should it continue to seek global hegemony, or should it go back to being, in former ambassador to the UN Jeane Kirkpatrick's words, a "normal country"?

THE INTERVENTIONIST'S OUTLOOK

Today the American military is spread around the globe. President Bill Clinton says that 100,000 United States troops in Europe is the minimum required, despite the disappearance of any credible threat to the West and the ability of the prosperous European Community—which includes two nuclear powers, Britain and France—to deter a resurgent Russia in the future. Indeed, George Bush went so far as to state that he did not foresee that "utopian day" when all America's soldiers might come home arriving for perhaps another hundred years.

The Clinton administration, following the lead of its predecessor, also seems committed to retaining at least 100,000 troops in East Asia. Japan is the world's second-ranking economic power and faces no serious

military threats; nevertheless, Tokyo apparently is slated to continue as an American defense dependent indefinitely. South Korea has 12 times the GNP and twice the population of Communist North Korea, yet Clinton suggests that United States forces will remain so long as Seoul wants them, which could be forever.

And many would like to further expand America's role as global policeman. Three years after the mercifully short war against Iraq in the Persian Gulf, the United States remains entangled in Kuwait, Saudi Arabia, and the affairs of Iraq's Kurdish minority, risking a long-term presence in one of the world's most volatile regions. Bulgaria, the Czech Republic, Hungary, and Poland all want United States defense guarantees, preferably through formal membership in NATO. America is enmeshed in Somalia and has threatened to intervene in the Balkans. Some press for involvement in Liberia's three-sided civil war, to bring peace, or against Haiti's military regime, to bring back democracy. Others write of America's obligation to guarantee Taiwan's security, prevent North Korea, Iran, and others from building weapons of mass destruction, and wage low-intensity conflicts around the world—in Latin America, Asia, the Middle East, and Africa. And columnist Ben Wattenberg wants the United States to go on making weapons simply to stay "Number One."

Given the expansiveness of the United States role abroad, it is time to ask: Is there anything the American people are not forced to pay for? Is there anything young Americans are not expected to die for?

THE IMPORTANCE OF JUSTIFYING POLICY

To answer these questions, one must first decide on the purpose of the national government. But rarely, alas, is this issue even addressed. The current administration speaks of a foreign policy of "enlargement"; hyper-internationalists cite the alleged need to spread democracy and enforce peace; and unreformed cold warriors warn of new enemies and threats requiring a military as large as that which successfully contained

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the Soviet Union. None consider whether their grand designs are consistent with America's organization of government, however.

Among the primary duties of the United States government, the first is to safeguard the country's security in order to protect citizens' lives and property. (The federal government also has some obligation to attempt to protect American citizens traveling abroad, but ultimately those who do business outside the United States must voluntarily incur the risks of doing so. Thus the formal justification for the entry of the United States into World War I—to uphold the right of Americans to travel on armed belligerent merchantmen carrying munitions through declared submarine zones—was patently absurd.) The government's second primary duty is to preserve the constitutional system and liberties that make America unique and worth living in. Every foreign policy action should be consistent with these two functions, and the president, legislators, and other officials can have no higher goals.

This is not, of course, to say that there are no other important ideals in life. For instance, the apostle John wrote in his first epistle, "This is how we know what love is: Jesus Christ laid down his life for us. And we ought to lay down our lives for our brothers." But the moral duties that individuals acknowledge are very different from duties established by the civil institutions that govern all. John did not suggest that we should force our neighbors—indeed, everyone in our entire country—to lay down their lives for others.

Yet many people no longer perceive any moral dimension to taxing and drafting citizens to implement government policies. Joshua Muravchik of the American Enterprise Institute, for example, sees no problem in promoting "common purposes" so long as such actions "don't involve curtailing the rights of our own citizens, but involve only taxing them." Yet taxation, and conscription, the policy used for years to obtain the needed personnel for Washington's extensive overseas commitments, certainly "involve curtailing the rights of our own citizens." An activist foreign and military policy should, therefore, require a justification that warrants circumscribing—often severely—people's freedom.

A FOREIGN POLICY OF HIGHER PRINCIPLES?

Advocates of an interventionist foreign policy have, of course, advanced many lofty justifications: To promote democracy. To ensure stability. To protect human rights. To stop aggression. To enforce international law and order. To create a new world order. And on and on. Such appeals to higher principles and values are very seductive; suggesting that foreign policy should be based on the promotion of the national interest sounds decidedly cold and selfish in comparison.

The moral goals articulated by many interventionists are important, but citizens should have no illusions

about the ability of the United States government to promote, let alone impose, them. Furthermore, recourse to such principles is often simply a rationalization for pursuing strategic or political ends. A cursory survey of activist foreign policy decisions ostensibly taken in the name of higher moral principles reveals ample evidence of both naïveté and sophistry.

For instance, in 1990 policymakers in Washington proclaimed their love of democracy and the free market, but years later there is still little sign of reform in Kuwait City, which was "liberated" during the Gulf War; American troops fought to make the Middle East safe for a monarchy that has largely evaded fulfilling its promises of greater domestic freedom. Despite its professed ideals, the United States used its armed forces to prop up authoritarian regimes in Korea and Vietnam. In two world wars it cultivated grand alliances with, respectively, an authoritarian Russia (although by the time the United States officially declared war, the czar had been overthrown) and a totalitarian Soviet Union. It viewed its bases in and defense treaty with the Philippines as equally important during the presidencies of autocrat Ferdinand Marcos and democrat Corazon Aquino.

Not only has American intervention often been motivated by factors other than disinterested selflessness, but Washington has equally often bungled the job. Financial assistance to a host of third world autocracies has strengthened the enemies of freedom and democracy. Aid and support tied the United States to failing dictatorships in Iran and Nicaragua; the two regimes' collapses resulted in neither democracy nor allies. America's entry into World War I to promote a utopian world order had perhaps the most disastrous consequences of any international meddling by any state ever; by allowing the allies to dictate an unequal and unstable peace, it sowed the seeds of the planet's worst conflagration, which bloomed just two decades later.

Even more important than the question of Washington's sincerity and realism in promoting higher principles in its foreign policy is the question of cost. How much money—and how many lives—should be sacrificed to bring American principles to other countries? Restoring Kuwait's sovereignty proved surprisingly cheap, but there were no guarantees United States and coalition casualties would be so light. How many American lives did policymakers think Kuwait's liberation would be worth? Five thousand? Fifty thousand? And even if Iraq was the aggressor, the deaths of estimated tens and possibly even hundreds of thousands of Iraqis, many of them either civilians or military conscripts, must also be recognized as a very real cost of United States intervention.

How many body bags per foreign life saved would make intervention elsewhere worthwhile? Why did Iraq's earlier brutal assaults on its Kurdish minority not

warrant war? What about Syria's depredations in Lebanon? China's swallowing of Tibet? The war between India and Pakistan? Or Pol Pot's mass murder in Cambodia?

If young American males—and now females—are born to give their lives overseas to forestall aggression, protect human rights, and uphold a new world order, should not the United States have gone to war to unseat the two dictators who (unlike, say, Ho Chi Minh, Iraq's Saddam Hussein, or Serbia's Slobodan Milosevic) truly were the moral equivalent of Hitler—Stalin and Mao? Why was protecting human rights in these instances not worth war? If the answer is that the cost would have been too great, then those who attempt a moral explanation for sacrificing 58,000 Americans for Vietnam but refusing to offer up some unspecified larger number to free more than 1 billion Chinese need to elucidate their methodology—unless, of course, they believe the United States should have ignited World War III in the name of some more just world order.

In fact, the United States did not intervene to liberate the two largest Communist states because doing so was not perceived to be in America's interest, owing to the catastrophic costs that such actions surely would have entailed. For all the idealism embodied in the moral explanations for United States behavior, American intervention is generally animated by a spirit of realpolitik.

In the case of the Gulf War, humanitarian concerns may have eventually come to dominate Bush's thinking. But had the initial fighting been between, say, Ethiopia and Somalia, the United States is unlikely to have intervened, just as Washington did not act when those two countries fought more than a decade before. Concerns about the regional balance of power and Iraq's growing arsenal of weapons of mass destruction were also real, but secondary; after all, the United States was prepared to leave Saddam's military strength intact had he withdrawn from Kuwait. Despite Bush's and other officials' rhetoric, Washington's real interest in the Gulf was ensuring allied access to oil.

Washington's only military intervention for truly humanitarian purposes is the one in Somalia that began in December 1992. But America quickly turned from famine relief to political meddling, essentially joining an ongoing civil war between rival clans. The result was to build Somali popular support for the forces opposing the United States and to destroy American popular support for the humanitarian aspects of the mission.

As unsatisfactory as an emphasis on the national interest may be to some, it is the only proper basis for American policy. Such an approach reflects the purpose of the United States government—to protect the security, liberty, and property of the American people—in a way the international pursuit of utopian

ideals does not. Reasons of national interest and security are the only legitimate justification for United States intervention abroad.

WEIGHING COSTS

It is not enough, however, to decide that the United States has one or more interests at stake in some foreign matter, because interests are not of unlimited value. The benefits of gaining desired objectives have to be balanced against the costs of intervention.

Perhaps the most obvious expense is financial. NATO accounts for roughly half the entire United States military budget; the defense of the Pacific runs to about \$40 billion. Operation Desert Shield cost \$60 billion or more (though that bill was largely covered by coalition states). Foreign aid adds another \$12 billion annually to the deficit. All told, roughly 70 percent of America's military outlays goes to prepare for conventional wars abroad. As General Wallace Nutting, former commander in chief of the United States Readiness Command, has observed, "We today do not have a single soldier, airman, or sailor solely dedicated to the security mission within the United States."

American domestic freedoms also suffer as a result. World Wars I and II resulted in massive assaults on civil liberties, including the suppression of dissent and free speech, and culminated in the incarceration of more than 100,000 Japanese Americans. Much more modest, but still unsettling, was the anti-Arab sentiment unleashed during the short war against Iraq. Moreover, a panoply of security restrictions that grew out of the cold war continues to limit Americans' freedom.

Both wars also vastly expanded the government's economic powers. Federal spending in 1916 was just \$713 million; it shot up to \$18.5 billion in 1919, eventually settling back to the \$3-billion level throughout the 1920s, more than quadruple its prewar level. Similarly, federal outlays in 1940 were \$9.5 billion. Spending increased nearly tenfold, to \$92.7 billion, fell to \$29.8 billion in 1948—triple prewar figures—and then began its inexorable climb. Burton Yale Pines of the National Center for Public Policy Research argues that "today's mammoth federal government is the product not so much of the New Deal but of the massive power assembled in Washington to wage World War II and the Cold War." Some of the government's regulations have never been reversed: New York City, for instance, still suffers from the destructive effects of rent control, a supposedly temporary wartime measure.

Similarly, America's interventionist foreign policy has malformed the domestic constitutional system. We have seen both a centralization of power in the federal government and the aggrandizement of the presidency. How far we have come is reflected by the fact that

serious thinkers who purport to believe in jurisprudential interpretation based on the original intent of the framers argue that the president can launch a war against another sovereign state without congressional approval. And although United States participation in formal UN forces is rather limited, it represents an even greater abrogation of congressional authority, since the act allowing participation dispenses with the need for a declaration of war when such troops are involved.

Further, intervention has a great human cost. Woodrow Wilson's fantasies of a new world order drove him to take the country into the mindless European slugfest of World War I, which left 116,000 Americans dead and led to the outbreak within one generation of an even worse war, which killed another 407,000 (mostly young) Americans. Since the end of the second world war, more than 112,000 American citizens have died in undeclared conflicts. It is one thing to ask Americans to die for the United States Republic. It is quite another to expect them to sacrifice their lives in the interest of power-projection politics more characteristic of an empire.

Finally, intervention could one day threaten the very national survival of the United States. Biological, chemical, and nuclear weapons are spreading and ballistic missiles increasingly available. Terrorism has become a fixture of international life. With the growing ability of even small political movements and countries to kill United States citizens and to threaten mass destruction, the risks of foreign entanglements increase. No longer are the high costs limited to soldiers in the field. In coming years the United States could conceivably lose one or more large cities to demented or irrational retaliation for American intervention. A modest Strategic Defense Initiative program would reduce these risks, but it would never be able to provide full protection.

DIFFERENT WAYS AND MEANS

How, then, should the United States formulate a foreign policy? Every action taken abroad should reflect the purpose behind the creation of the government: namely, to serve the interests of American society and the people who live in it. Washington's role is not to conduct glorious utopian crusades around the globe. It is not to provide a pot of cash for the secretary of state to pass out to friendly regimes to increase United States influence abroad. It is not to sacrifice the lives of Americans to minimize other peoples' sufferings. In short, the money and lives of the American people are not there for policymakers, or even the president, to expend for purposes other than defending the American community.

Of course, some analysts argue that promoting moral values, particularly democracy and human rights, advances American national interests by making conflict—or at least war—less likely. The link is tenuous,

however. Indeed, in the Middle East, North Africa, and some other states, true democracy is as likely to unleash destabilizing as stabilizing forces, particularly Islamic fundamentalism. The end of the totalitarian rule that kept simmering ethnic tensions in eastern Europe under control has already resulted in violent conflict in the Balkans: it was "democratic" decisions to secede from Yugoslavia after free elections in Slovenia and Croatia that sparked war. The best we can say is that democracies generally do not attack their neighbors.

Further, America's ability to advance democratic values is inconsistent at best. There is little the United States can do to make Haiti a free country, for example; sustaining in power a demagogue like Jean-Bertrand Aristide, even an elected one, certainly will not. And Washington's policies often throw United States commitment to democracy into question. Foreign aid, in particular, has assisted authoritarian rulers more often than liberal forces all over the third world. In the absence of any direct link between important United States objectives and the imperative to advance democracy in a particular country, American resources should not be used in this way.

Furthermore, to decide that a specific intervention is consistent with the purpose of the United States government is not enough to justify it. Decisionmakers also need to assess whether there are alternative means of achieving the goal. A free Europe is certainly important to the United States, but keeping 100,000 troops there is not necessary. The Soviet threat has disappeared, while Europe's ability to defend itself has expanded. A sharply reduced potential Russian threat may remain in coming years as Moscow struggles with daunting economic, ethnic, and political problems, but civil war is far more likely than aggression against the West. Indeed, according to the International Institute for Strategic Studies, Russia now spends less than Germany alone on the military. Thus there is no reason the Europeans, with three times the economic strength of a decaying Russia (and a larger gross national product than America) and a new buffer in the former Warsaw Pact states, cannot create their own security system to deter any potential threat.

Indeed, those who should be most concerned about a Russian revival—the Germans—aren't. Last year Chancellor Helmut Kohl announced his nation was going to cut troop levels 40 percent through 1995. If Bonn sees no need to maintain a large military for its protection, there is certainly no cause for America to maintain troops in Germany. Washington is increasingly begging the Europeans for the right to defend them.

Similarly, South Korea is vastly stronger than North Korea by every measure except current military strength. Seoul's growing edge has become increasingly obvious as South Korea has stripped away all of the North's

allies, particularly Russia and China. The south is fully capable of eliminating the military imbalance on the peninsula. South Korean officials do not deny their country's ability to sharply increase its defense efforts; instead, they tend to complain about having to bear the added expense. This is hardly a justification for an American presence. Seoul could gradually increase its military spending—which would be unnecessary if the north enters into meaningful arms control negotiations—as United States forces were phased out. The potential North Korean acquisition of a nuclear weapon is serious, but the continued presence of American ground forces will do nothing to stop nuclear proliferation; rather, the troops would simply serve as nuclear hostages.

There were even alternatives in the Persian Gulf. One justification for American intervention was to help restore a regional balance of power. Concern with maintaining a postwar balance of power was at least one factor in the administration's decision to end the war when it did, and General Norman Schwarzkopf, the commander of the coalition forces, warned in the fall of 1990 about the threat to the "long-term balance of power in this region" posed by any attempt to "drive on to Baghdad and literally dig out the entire Baathist regime and destroy [it]." Such a balance, however, could well have been achieved without 500,000 American troops. Iraq was surrounded by enemies and could have been constrained by a combination of Iran, Syria, Turkey, and Egypt. Although these states were unlikely to initiate war to free Kuwait—the status of which is essentially irrelevant to anyone's security—they had a real interest in deterring an Iraqi assault on Saudi Arabia. And they were fully capable of doing so, given the grave weaknesses of Saddam Hussein's forces.

It might be difficult to fashion alternative solutions that do not involve direct United States intervention, and Washington might not always be fully satisfied with the outcome. But it is unrealistic to expect the United States to assume the responsibility for maintaining global order. Instead, Washington should seek to promote cost-effective policies that yield results most consistent with the government's duty to protect Americans' security and constitutional freedoms.

Even if there appear to be no alternatives to a United States commitment, the United States must weigh benefits against costs before it intervenes, and avoid or extricate itself from tragic but ultimately irrelevant conflicts. For example, more people died in 1993 in Angola than in Bosnia. Starvation stalks Liberia and Sudan, both victims of vicious civil wars. Yet there has been no groundswell for intervention in Angola, and no UN relief mission for the latter two. The Trans-Caucasus is suffering from seven separate conflicts. All are human catastrophes, but none affects a single vital American interest or warrants the death of even one United States soldier. The point is not that American

lives are worth more than others', but that the primary duty of the United States government is to safeguard the lives of its own citizens—servicemen included—not sacrifice them for even seemingly worthy causes.

What if United States policymakers concluded that South Korea would not defend itself if Washington pulled out its troops? In fact, Seoul would probably be the last American ally to give up, but what if it decided to do so? A northern takeover of the south would be a tragedy for the latter, but it would have little impact on the United States, whose security would remain largely unchanged and whose economy would suffer only marginally from the loss of a midsize trading partner. The threat to go to war should be reserved for cases involving vital American interests. Korea is a peripheral, rather than a substantial, interest of the United States, and does not justify spending billions of dollars and risking tens of thousands of lives every year, especially if the peninsula goes nuclear.

A similar analysis could have been conducted for the Gulf. Even if the other regional powers had not taken steps to contain Iraq, the likelihood of Saddam Hussein striking Saudi Arabia was overplayed, since this would have left him dangerously overextended. (In fact, United States intelligence knew at the time he was withdrawing his best units to Iraq after seizing Kuwait.)

The consequences even of a highly unlikely conquest of the entire Gulf were overstated. In this fantastic worst-case scenario, Saddam would have controlled about one-fifth of international petroleum production; enough to nudge prices up, to be sure, but not enough to control them or wreck the international economy. Nor did Saddam's invasion of Kuwait threaten America's ally Israel. On the contrary, Iraq only attacked Israel in a desperate attempt to split the coalition; absent the United States presence, Baghdad would surely not have attacked Israel since it was fully capable and willing to retaliate.

THE LUXURY OF UNINVOLVEMENT

The United States enjoys many advantages that provide it with the luxury of remaining aloof from geopolitical conflicts that engulf other countries. America benefits from relative geographic isolation, for example. (This does not insulate it from nuclear attack, of course, which is why it should try to develop some form of missile defense.) The United States is also the world's largest single economic market, which reduces the impact of the loss of one or more trading partners. (Germany and Japan, for example, would suffer far more if the American market was denied them.) Moreover, the United States has a constitutional system and political philosophy that have endured for more than 200 years and have proved to be popular around the world.

This unique status allows America to balance the costs and benefits of intervention differently from most other states. Alliances make a lot more sense among European states threatened by a Soviet Union, for instance, or between Saudi Arabia and its neighbors when they are threatened by Iraq. Observes political commentator and former presidential candidate Patrick Buchanan, "Blessed by Providence with pacific neighbors, north and south, and vast oceans, east and west, to protect us, why seek permanent entanglements in other people's quarrels?"

For this reason, the United States is rarely open to charges of appeasement, such as are sometimes rightly leveled at other countries, for intervention is seldom required to protect its vital interests. For example, had France and Britain accurately perceived the potential threat posed by Nazi Germany, they should have blocked the remilitarization of the Rhineland and they certainly should not have helped dismember Czechoslovakia (through active intervention, it should be noted). Washington's failure to leave its expeditionary force in Europe in 1919 or to raise a new one in 1933, however, did not constitute appeasement. Similarly, it would not be appeasement for the United States to decline to defend a populous and prosperous South Korea; for Seoul to choose not to augment its forces once United States troops were gone, however, would be.

In fact, there is nothing wrong in principle with appeasement, if this means only diplomatic accommodation and avoidance of war. In the late nineteenth and early twentieth centuries, Austria-Hungary, Britain, France, Germany, and Russia all resolved potentially violent disagreements without conflict by making concessions to one another that could be termed "appeasement." The case of Nazi Germany was different, because Hitler wanted far more than could be given to him, and because the allies materially weakened themselves—for example, by eviscerating Czechoslovakia—in attempting to satisfy him.

The end of the cold war has resulted in a new world order, whether or not the United States defines or polices it. The Russian military remains a potent force, of course, but it is far less capable than that possessed by the Soviet Union, and Moscow's will to use it in an aggressive fashion appears to have dissipated. Moreover, the ability of American allies—a Japan that is the second-ranking economic power in the world, a reunited Germany that dominates Europe, and so on—to contain Russia has grown. These two changes alone give the United States an opportunity to refashion its foreign policy.

A new, noninterventionist policy should rest on the following bedrock principles:

- The security of the United States and its constitutional system should remain the United States government's highest goal. Individuals may decide to selflessly risk their lives to help others abroad; policymakers, however, have no authority to risk their citizens' lives, freedom, and wealth in similar pursuits.
- Foreign intervention is usually expensive and risky, and often counterproductive. Many smaller nations may still need to forge preemptive alliances to respond to potentially aggressive regional powers. Because of America's relative geographic isolation and other advantages, however, intervention is rarely necessary to protect our security and free institutions. This is especially true today, with the disappearance of a threatening hegemonic power.
- America's most powerful assets for influencing the rest of the world are its philosophy and free institutions, the ideas of limited government and free enterprise that are now sweeping the globe, and its economic prowess as the world's most productive nation. These factors ensure the nation's influence irrespective of the size of its military and where its soldiers are stationed. The United States can best affect others through private means—commerce, culture, literature, travel, and the like.
- The world will continue to suffer from injustice, terror, murder, and aggression. But it is simply not Washington's role to try to right every wrong—a hopeless task in any event. The American people are entitled to enjoy their freedom and prosperity rather than having their future held hostage to unpredictable events abroad. Their lives and treasure should not be sacrificed in quixotic crusades unrelated to their basic interests.

The world is changing faster today than it has at any time since the end of World War II. As a result, the United States has no choice but to refashion its foreign policy. While Washington should remain engaged throughout the world culturally, economically, and politically, it should bring its military home and curtail expensive foreign aid programs. After bearing the primary burden of fighting the cold war, Americans deserve to enjoy the benefits of peace through a policy of benign detachment. War may still be forced upon them, of course. But as John Quincy Adams observed shortly after the nation's founding, America should not go abroad "in search of monsters to destroy." ■

Should the Clinton administration take some of the problems of international commerce into its own hands rather than relying on the General Agreement on Tariffs and Trade to improve world trade? Peter Morici says yes: "[I]f one party is advantaged, it is foolish for others to expect it to change its behavior on its own."

Competing for Advantage: Proposals for United States Trade Policy

BY PETER MORICI

American trade policy is at sea. The Clinton administration has just fought a bruising battle on behalf of the North American Free Trade Agreement, and continues to pursue progress in the Uruguay Round of world trade negotiations. Meanwhile, it seeks a new relationship with Japan, and the NAFTA experience portends a tough succession of battles with Congress over opening American markets to foreign competition and keeping them open.

As we embark on the post-cold war era, a less doctrinaire, more eclectic approach to trade at the White House and a more assertive Congress are understandable. Developments in three areas—the security challenges posed by the transition after the cold war, the nature of competition in technology-intensive industries, and the seeming inability of the General Agreement on Tariffs and Trade (GATT), sponsor of the world trade talks, to manage the world trading system it did so much to create—require a fundamental rethinking of the goals and means of United States trade policy.

THE WORLD WE FACE

Since World War II, multilateralism in trade—the idea of lowering barriers to commerce among market economies on a genuinely reciprocal basis—has anchored Washington's trade policy. Through organizations like GATT, the International Monetary Fund, and the World Bank, the United States attempted to build a system of interdependent nation-states that would counter Soviet expansionism and sustain peace in the West.

But the eclipse of the Soviet threat, the recognition that democracies generally do not make war on one another, and political and economic reform in eastern

Europe, Latin America, and elsewhere appear to deprive multilateralism of much of its traditional security imperative. And President Bill Clinton's emphasis on American economic renewal signals that multilateralism, or whatever complex of trade policies succeeds it, will have to be justified much more in terms of what it can do for the domestic economy.

Nevertheless, newspaper headlines provide daily reminders that the resurgence of democracy and capitalism in countries around the globe is often one-dimensional, or otherwise fragile or incomplete. The international economic policies of the United States will continue to have an impact on broader American objectives of supporting democratic values, sustaining human rights, and protecting national security, even if in different ways than in the past.

In China, for example, the establishment of capitalist institutions has not been matched by a loosening of centralized political control; instead, a peculiar admixture of capitalist economics and Communist governance is instigating staggering corruption. While this dualism endures, it is difficult to envision China achieving a truly modern, technologically advanced economy that extends into rural areas.

In Russia and the other former states of the Eastern bloc, efforts to dismantle the old authoritarian order and state planning before suitable legal and business frameworks were constructed and a stable growth path was attained have contributed to political crises and the threat of chaos.

Closer to home, although many Latin American nations have made important progress, economic reforms are far from complete: privatization of inefficient state enterprises and the implementation of truly open trade policies face political opposition; corruption is still blatant; and legal systems only offer limited protection for intellectual property. In Mexico, despite an impressive record of market-opening reforms, the Institutional Revolutionary party so far has been unwilling or unable to truly cede its grasp on power, and the

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legal system does not offer businesspeople the reliable enforcement of contracts. In Colombia and Brazil governments cannot guarantee citizens and their property reasonable safety.

Throughout the developing world, efforts to free economies from the shackles of state control and the legacy of authoritarian rule are creating opportunities for a new entrepreneurial class. Yet these reforms also displace established elites and worsen the already marginal circumstances of many workers in formerly protected industries. Economic reform thus often begets its own opposition, which in turn tries to impede the emergence of the institutions necessary to sustain democracy and proceed with fundamental changes. To break this vicious circle, each phase of economic reform must be carefully fashioned to create growth and broadly dispersed opportunities so as to win over supporters of economic and political arrangements that recognize the power and function of individual liberty.

If experiments in market reform in Latin America, Asia, and eastern Europe do not meet with resounding success, many of these regions' countries could collapse into social unrest and state entropy or turn to fascism to sustain essential elements of a market economy and civil order. These developments could undermine Northern prosperity by disrupting supplies of vital raw materials, setting off mass migrations, or sparking dangerous regional military confrontations. This is the real security risk facing the United States and its industrialized allies after the cold war.

In addressing this challenge the United States, its allies, and other industrialized nations should be aware of two things. First, to achieve the growth necessary to sustain and expand economic reforms, developing countries must secure ever-increasing access to markets for their agricultural commodities and manufactures in highly developed nations; this access may be provided through a smoothly functioning GATT or regional arrangements affording similar scope. Second, the sorry state of many emerging economies, especially in Latin America and eastern Europe, can be traced to the damage authoritarian regimes and statist development strategies inflicted on economic infrastructure and civil institutions. Giving these nations broad market access without requiring the complete reform of their systems could actually help sustain and prolong interventionist and repressive practices, and exacerbate the long-term damage. Thus, offering greatly enhanced market access through GATT, which tends to bestow benefits and rights without enforcing reforms, may not prove the best approach.

TECHNOLOGY AND COMPETITION

When it comes to what technology means for national competitiveness, we are living in a new era, and the salient purposes of trade policy have evolved accordingly. In the 1950s industrial countries sought international markets in order to achieve economies of scale and thus spread the massive capital costs for producing standardized products such as automobiles and washing machines. This required access to foreign markets with high per capita income; thus United States policy emphasized opening up western Europe and Japan.

Today flexible manufacturing and other advances have freed countries from the need to find large markets for long production runs of standardized items.¹ But skyrocketing research and development costs impose different requirements on trade policy. In 1970 a world-class semiconductor research and development project cost about \$2 million or \$3 million, whereas now the price tag is several hundred million dollars. American semiconductor firms need broad access to foreign markets in order to recoup these costs, but they can also be recouped by selling semiconductors to other manufacturers who produce for sale abroad the multiplicity of products in which the latest semiconductors are critical components: computers, automobiles, airplanes, industrial machinery, dishwashers, microwave ovens, and other durable goods.

While large foreign markets are still essential, they need no longer be markets in which per capita income is high. Improvements in access to developing economies, such as Mexico and the rest of Latin America, can serve American economic goals as effectively as improvements in access to Japanese or western European markets, if the sales potential is comparable.

If this sounds implausible, consider that American exports to Latin America reached \$75 billion in 1992. This compares favorably with sales of \$91 billion to Canada, \$101 billion to the EC, \$47 billion to Japan, and \$47 billion to the newly industrializing countries of East Asia. Consumer durables and capital goods accounted for about half these sales. This is impressive when one considers that tariffs on products from the United States remain much higher in Latin America than in the EC or Japan; that corporatist industrial policies in Latin America, though receding, still pose formidable barriers to American exports; and that the lack of institutional and physical infrastructure creates bottlenecks in commerce between Latin America and the United States.

Japan has recognized these new realities concerning technology, markets, and developing countries. The Japanese government assists private firms conducting cooperative research and development. And the private sector, through the purchasing practices of the *keiretsu*, ensures adequate domestic markets for the down-

¹Flexible manufacturing permits the production of several lines (for example, several different mid-sized cars) in the same factory without significantly increasing costs.

stream products of these high-cost undertakings.² Finally, through the expansion of *keiretsu* trade and investment in Asia, Japan is exchanging market access for semiskilled manufactures for preferential access for its knowledge-intensive durable goods.

If the United States stands by and does not move to aggressively expand trade in Latin America, Japanese multinationals, through their expanding trade in Asia, will enjoy wider markets than their American rivals and hence surpass them in their capacity to finance R&D and innovation. Ultimately workers in the United States will be engaged, on average, in lower skilled, lower paying occupations than their Japanese counterparts.

PROBLEMS WITH GATT

Although broad, reciprocal multilateral trade liberalization would leave everyone better off, the General Agreement on Tariffs and Trade is floundering. The world trade body's principal players—the United States, the European Community, and Japan—increasingly rely on bilateral measures to resolve trade disputes, and the Uruguay Round agreements are not likely to eliminate this tendency.

It is virtually impossible to shape a smoothly functioning multilateral regime when GATT principals strongly disagree about which domestic practices are distorting trade, and when their private business structures engender conflicts over market access quite apart from the actions of governments.

The former is best illustrated by United States disputes with the EC over subsidies for activities like the European aeronautics consortium Airbus. The proposed Uruguay Round subsidies code will leave many contentious issues unresolved, including the acceptable limits for government aid for R&D and depressed regions. Although the code represents some genuine progress, frictions in this area will continue to frustrate United States officials.

The latter tendency is best illustrated by United States and EC complaints about the practices of Japanese business, such as the discriminatory purchasing habits of the *keiretsu*, which often reflect private consensus about which knowledge-intensive activities require support and protection. Since GATT was established to discipline government practices and has little jurisdiction over private business structures and deci-

sions, the proposed Uruguay Round agreements are virtually devoid of effective means to resolve American and European market-access problems in Japan.

Looking to the future, Clinton's proposals emphasizing federal aid for commercial research and extension services for smaller manufacturers, and plans to counter Japanese protectionism with subsidies for affected industries, may signal that United States industrial policy is evolving in ways that will reduce tension between the United States and Europe over sticky issues such as subsidies.

Trade relations with Japan, though, will continue to be vexed by disputes arising from Japanese business practices. The inability of the United States, the EC, and Japan to reinvent GATT so that it might address systemic frictions between two competing models for organizing businesses in a market economy represents a failure of the first rank for international economic diplomacy.

WHAT SHOULD AMERICA WANT?

Facing all this, what should be the goals of United States trade policy?

First, trade policy should complement domestic policies in building a more productive and prosperous society. This means improving public education, increasing investment in plant and R&D, and opening foreign markets to American products. When market access is restricted—for example, as it has been in computers, semiconductors, and the like in Japan—United States policymakers must define approaches that ensure that this does not constrain the national capacity to invest adequately in research.

Second, although the new emphasis in trade policy on economic strength is needed after years of subjugation to broader foreign policy goals, it is important to recognize that trade policy can never be free from national security constraints.

In eastern Europe this requires supplementing United States support for market-oriented reforms with efforts to bring the countries of the region squarely into the GATT framework. However, regarding trade benefits beyond those provided by the world body, such as bilateral trade agreements, the European Community, and the seven-nation European Free Trade Association (EFTA) should lead the way. Free trade between the United States and eastern Europe, without similar arrangements between them and the two major European groups, would probably advance European commercial interests, which would be to the detriment of many of America's own.

In Latin America reciprocal free trade would increase the growth dividend from economic reforms and thereby improve the prospects for genuine social progress. Hence regional free trade would serve both economic goals and broader foreign policy objectives of the United States.

Over the past decade United States trade policy has been running on three tracks—GATT, regional accords,

²The *keiretsu* are alliances of major firms across a full range of industries—mining, various branches of manufacturing (for example, steelmaking, electronics, and automotive products), finance, real estate, and other services. The firms in a *keiretsu* are linked by cross-ownership of stock and exchange of corporate directors; the major companies cultivate vertical relationships with smaller suppliers. Members of the same *keiretsu* display strong allegiance to their traditional suppliers. This tends to discriminate against other Japanese firms and against foreign ones. Since a good deal of Japanese industry is organized in this way, this effectively insulates many Japanese firms from foreign competition.

and bilateral jawboning. This has troubled many American multilateralists, who fear regional and bilateral arrangements will erode the primacy of the world trade body and compromise United States allegiance to its principles. But multilateralism is not an absolute good; rather, it is a strategy the United States should pursue if it serves national economic and political goals. The nature of the changes under way in Latin America and elsewhere, and the challenges presented by new technologies and systemic frictions among GATT principals, limit but do not eliminate the efficacy of multilateralism; they make NAFTA, other arrangements in the hemisphere, and bilateral initiatives complementary components of a comprehensive trade strategy for the United States.

Taking a purely economic view, the intellectual primacy of multilateralism rested on the belief that it would increase trade based on comparative advantages and thereby raise the incomes of all participating nations. If all market economies were organized in much the same way—be it the American mode, the Japanese, or some European variant—economic theory provides compelling reasons for expecting this outcome.

However, breakneck and costly technological change and systemic frictions make possible multilateral rules that seem fair to all but in reality offer firms in some countries competitive advantages over firms in others which lack a fundamental basis in comparative advantages. (It should be added that the United States, the EC, and Japan are all potentially vulnerable to such systemic risk in multilateral negotiations.) The ambiguity of GATT rules on subsidies and the victimization of the American aircraft manufacturer McDonnell Douglas by highly subsidized Airbus illustrate the point. In computers and semiconductors, the juxtaposition of low tariffs in the United States and Japan with the open purchasing practices of United States firms and the closed ones of the *keiretsu* leads to the victimization of these industries in the United States at the hands of Japanese rivals.

Focusing more broadly on political and legal issues, since the Tokyo Round of negotiations between 1973 and 1979 the focus of GATT talks has substantially widened, from tariffs, quotas, and blatant forms of discrimination against imports to a broader range of domestic policies that may affect trade. Present and proposed GATT rules commit participants in these agreements to subject their domestic policies to international standards and, where appropriate, to provide remedies for injured parties in their courts. For example, developing nations agree to offer patent and copyright protection consistent with the protection offered by industrial countries and to provide domestic courts that will prosecute pirates and offer civil recourse in legitimate business disputes. However, for countries like Mexico, where corruption prevails, the United States risks offering concessions on other issues to win intellectual property protection that may not

warrant the price paid for the protection actually achieved.

This does not mean the United States should abandon GATT. Global economic performance and United States economic interests can be served by better multilateral rules disciplining, for example, product standards, government procurement, intellectual property laws, and trade-related investment measures. However, it does mean Washington should be realistic about the market access it expects to gain through multilateral rules, should be selective about the concessions it offers in GATT negotiations, and should seek regional and bilateral arrangements that serve to further open trade with Latin America, the EC, and Japan.

Along these lines, the United States cannot afford to let NAFTA or the extension of its benefits to the countries of the Caribbean and Central and South America languish. Rapid progress toward continental and hemispheric free trade has the potential to increase exports of technology-intensive products from the United States, thereby making such goods more competitive across the globe and accelerating the creation of well-paid, knowledge-intensive jobs at home.

This author feels more confident writing this about regional free trade agreements than GATT, because with NAFTA the United States is in a much stronger position to insist the governments on the other side honor their commitments and to ensure that business and legal institutions evolve in ways broadly consistent with practices in the United States. At the most fundamental level, this is how the North American Free Trade Agreement, like the expansion of the *keiretsu* in Asia, offers benefits similar to genuine, comprehensive multilateral liberalization that GATT may not be able to deliver.

Also, as NAFTA and an expanded EC mature, constructive engagements between these blocs may be possible in at least two dimensions. As the United States adopts industrial policies more like those pursued by the EC, cooperative strategies in areas such as environmental technology, aerospace, advanced electronics, and biotechnology may prove useful for spreading R&D costs. The recently announced agreement between Boeing and European airplane manufacturers to study the joint production of a super wide-body passenger jet may be a precursor.

Further, NAFTA and the EC could try to find compatible regional approaches to liberalizing nontariff barriers—in industrial standards, government procurement, intellectual property, and services like air transportation, for instance. This could preempt new obstacles to transatlantic trade and push the frontiers of liberalization beyond what is possible among the larger, more diverse membership of GATT.

As part of its 1992 program, the EC articulated the principle of conditional reciprocity: foreign companies should benefit from the deepening of the common market only to the extent their governments at home offer similar benefits to companies from the Commu-

nity. This may prove a good working concept for the United States to use in opening transatlantic trade. For example, an EC directive requiring member states' utilities to favor European vendors led to United States protests and an agreement that substantially liberalized purchases of heavy electrical equipment in both the EC and the United States; this opened a \$20-billion market in Europe for American producers. However, the inability of the two sides to reach a similar accord on telecommunications equipment indicates this process will not always yield results.

Regarding Japan, the United States and the EC must recognize that private business structures pose significant barriers to their exports in the Japanese market and, coupled with *keiretsu* expansion of trade and investment in East and Southeast Asia, reserve significant segments of Asian markets for Japanese multinational corporations; in contrast, North American and European markets are relatively free of these kinds of private barriers. Thus Japanese firms enjoy broader market access across the three major blocs, permitting them to spread R&D costs better than their Western competitors. Given its focus on government practice, GATT is probably not the forum in which this situation can be improved. Since Japanese firms—at least so far—have prospered under existing arrangements, it is unlikely they will easily give in to American pressures for new ones.

Clearly, what is needed is an overall change in the context for trade negotiations. The United States and the EC must take other steps to ensure market opportunities for their firms at least commensurate with those enjoyed by Japanese firms, especially for products that support research. This means the United States and the Europeans must apply the concept of conditional reciprocity to trade with Japan in products downstream from critical R&D functions.

This strategy does not necessarily require targets for the overall trade balance with Japan; rather, the structure of trade should be the primary concern. United States negotiators need to identify the critical technologies that will propel industrial competitiveness in the years ahead, identify corresponding markets in Japan and the rest of Asia where access is blocked, and ask for prompt amelioration through negotiations with Tokyo—and if necessary, with *keiretsu* leaders directly. If improved access is not forthcoming, United States policymakers must then be prepared to take stronger steps to ensure adequate domestic market opportunities for the downstream products of essential R&D functions. Once Japan recognizes the United States is serious about the structure of market access and is prepared to redress imbalances, a more productive dialogue on how the two competing models for organizing market economies should relate to each other may begin.

As with industrial policies to encourage research

and development, the United States government would be critically dependent on the private sector to identify worthy technologies and the appropriate downstream products. A practical problem here is that the industries likely to be most vociferous will often be among the least deserving; first in line will be industries that are poorly organized and managed or that suffer from self-inflicted handicaps. Washington would have to learn to resist their political pressure in order to make pragmatic trade policy that serves national interests.

EMBRACING REALISM

If international trade policy is to complement domestic initiatives for economic renewal, it must be realistic about the world we face. This would be more consistent with management of the domestic economy.

Domestically, United States policy should affirm the primacy of the market yet seek to correct its malfunctions—for example, in the health care delivery system and in the unregulated cable television industry. Likewise, in international commerce, free markets and liberal practices should be the baseline for United States policy, yet Washington should be wise enough to intervene where conditions for efficient market outcomes are absent.

Open trade works best when it connects market economies organized around similar government policies and rules for competition in private business. All market economies share an interest in building commonality for such rules in GATT; continued work in such areas as product standards and the environment is valuable.

Along the same lines, close neighbors like Canada, the United States, and Latin America can and should scout ahead and anticipate GATT through broader and deeper regional and interregional arrangements. The North American free trade area and bilateral engagements, such as between the EC and the United States, may actually extend the frontiers of GATT if they focus on opening markets.

This said, market economies are sometimes incompatible with one another—not because of government policies but because of private business structures. In these situations international markets can malfunction, and GATT will generally not suffice to fix the problem. And if one party is advantaged, it is foolish for others to expect it to change its behavior on its own; rarely do businesses freely surrender an advantage in the marketplace.

The United States (and Canada and the EC) and Japan are currently juxtaposed in this manner on the question of market access. Therefore Washington should seek to redress the imbalance, either by negotiating improved market access in Japan for American companies or by creating comparable benefits for them at home and in the Western Hemisphere. This is consistent with America's broad commitment to a stable, growing multilateral system. ■

"To equate Islam and Islamic fundamentalism uncritically with extremism is to judge Islam only by those who wreak havoc—a standard not applied to Judaism and Christianity. . . . There are lessons to be learned from a past in which fear of a monolithic Soviet threat often blinded the United States to the Soviet bloc's diversity, led to uncritical support for (anti-Communist) dictatorships, and enabled the 'free world' to tolerate the suppression of legitimate dissent and massive human rights violations by governments that labeled the opposition 'Communist' or 'socialist.'"

Political Islam: Beyond the Green Menace

BY JOHN L. ESPOSITO

It is the mightiest power in the Levant and North Africa. Governments tremble before it. Arabs everywhere turn to it for salvation from their various miseries. This power is not Egypt, Iraq, or indeed any nation, but the humble mosque.¹

From Ayatollah Khomeini to Sheik Omar Abdel Rahman, from Iran to the World Trade Center, government leaders and opinion makers in the West and in the Middle East have warned of the dangers of militant Islam. If the 1980s were dominated by images of embassies under siege, American hostages, and hijackings, the 1990s bring prophecies of insurgent movements wielding nuclear weapons and employing urban terrorism. Headlines announce the possibility of a worldwide Islamic uprising and a clash of civilizations in which Islam may overwhelm the West. Television viewers see the bodies of Coptic Christians and tourists killed by Egyptian extremists and take in reports of Algerian militants' pitched battles with police. All fuel alarmist concerns reflected in publications and conferences with titles like "Roots of Muslim Rage," "Islam: Deadly Duel with Zealots," and "Awaiting God's Wrath: Islamic Fundamentalism and the West."

For more than four decades governments formulated

policy in the midst of a superpower rivalry that defined the globe and the future in terms of the visible ideological and military threat posed by the Soviet Union. In the aftermath of the cold war, the fall of the Soviet Union and the discrediting of communism have created a "threat vacuum" that has given rise to a search for new enemies. For some Americans the enemy is the economic challenge the Japanese or the European Community represent. For others it is an Islamic world whose 1 billion Muslims form a majority in more than 48 countries and a rapidly growing minority in Europe and America. Some view Islam as the only ideological alternative to the West that can cut across national boundaries, and perceiving it as politically and culturally at odds with Western society, fear it; others consider it a more basic demographic threat.²

The 1990s, however, reveal the diversity and complexity of political Islam and point to a twenty-first century that will shake the assumptions of many. While some Islamic organizations engage in terrorism, seeking to topple governments, others spread their message through preaching and social services and demand the right to gain legitimate power with ballots rather than bullets. But what of militant Islam? Is there an international Islamic threat? Will humanity witness the rise of a "new Comintern" led by "religious Stalinists" poised to challenge the free world and impose Iranian-style Islamic republics through violence, or through an electoral process that enables Islamic movements to "hijack democracy"?

FAITH, FUNDAMENTALISM, AND FACT

Muslims vary as much in their interpretations of Islam as followers of other faiths with theirs. For the vast majority of believers, Islam, like other world religions, is a faith of peace and social justice, moving its adherents to worship God, obey His laws, and be socially responsible.

Indiscriminate use of the term "Islamic fundamen-

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¹"The Islamic Threat," *The Economist*, March 13, 1993, p. 25.

²See John L. Esposito, *The Islamic Threat: Myth or Reality?* (New York: Oxford University Press, 1992), which I have drawn on for this study.

talism" and its identification with governments and movements have contributed to the sense of a monolithic menace when in actuality political Islam is far more diverse. Saudi Arabia, Libya, Pakistan, and Iran have been called fundamentalist states, but this tells us nothing about their nature: Saudi Arabia is a conservative monarchy, Libya a populist socialist state headed by a military dictator. Moreover, the label says nothing about the state's Islamic character or orientation. Pakistan under General Muhammad Zia ul-Haq embodied a conservative Islam, and Saudi Arabia still does; Islam in Libya is radical and revisionist; clerics dominate in Iran. Finally, although fundamentalism is popularly equated with anti-Americanism and extremism, and Libya and Iran have indeed often denounced America, Saudi Arabia and Pakistan have been close allies of the United States and the mujahideen that resisted the Soviet occupation of Afghanistan received support from Washington for years.

The Iranian revolution of 1978–1979 called attention to a reassertion of Islam in Muslim personal and public life that subsequently came to be referred to by many names: Islamic resurgence, Islamic revivalism, political Islam, and more commonly, Islamic fundamentalism. The totally unexpected ousting of the shah of Iran by an Islamic revolution led by the charismatic Ayatollah Ruhollah Khomeini and the creation of an Islamic republic under the mullahs stunned the world. Fear that Iran would export Islamic revolution to other countries of the Middle East became the lens through which events in the Muslim world were viewed. When Khomeini spoke, the world listened—supporters with admiration, detractors with disdain and disgust or, often, anxiety.

The 1979 takeover of the United States embassy in Teheran and Khomeini's expansionist designs, Libyan leader Muammar Qaddafi's posturing and promotion of a third world revolution, and Egyptian President Anwar Sadat's 1981 assassination by Muslim extremists supported the projection of a militant Islamic fundamentalism. Hostage-taking, hijackings, and attacks on foreign and government installations by groups such as the Islamic Liberation Organization, Jihad, and Takfir wal Hijra (Excommunication and Flight) in Egypt and by the Iranian-funded Hezbollah and Islamic Jihad in Lebanon received enormous publicity. In the late 1970s and throughout the 1980s the prevailing picture of the Islamic world in the West was of militants bent on undermining countries' stability, overthrowing governments, and imposing their version of an Islamic state. The result was the facile equation: Islam = fundamentalism = terrorism and extremism.

THE ROOTS OF RESURGENCE

The reality is that Islamic revivalism was not the product of the Iranian revolution but of a global

reassertion of Islam that had already been under way and that extended from Libya to Malaysia.

The causes of the resurgence are many and differ from country to country, but common catalysts and concerns are identifiable. Secular nationalism (whether in the form of liberal nationalism, Arab nationalism, or socialism) has not provided a sense of national identity or produced strong and prosperous societies. The governments in Muslim countries—mostly non-elected, authoritarian, and dependent on security forces—have been unable to establish their political legitimacy. They have been blamed for the failure to achieve economic self-sufficiency, to stem the widening gap between rich and poor, to halt widespread corruption, to liberate Palestine, to resist Western political and cultural hegemony. Both the political and the religious establishments have come under criticism, the former as a westernized, secular elite overly concerned with power and privilege, and the latter (in Sunni Muslim nations) as leaders of the faithful who have been co-opted by governments that often control mosques and religious universities and other institutions.

The disastrous defeat of Arab forces by Israel in the 1967 war discredited Arab nationalism and triggered soul-searching in the Arab world. In South Asia, the 1971 civil war in Pakistan leading to the creation of Bangladesh undermined the idea that Islam and Muslim nationalism could act as the glue to hold together an ethnically and linguistically diverse Muslim population. One finds similar catalytic events or conditions in Lebanon, Iran, Malaysia (the riots of 1969), and many other countries.

Islamic revivalism is in many ways the successor to failed nationalist programs. The founders of many Islamic movements were formerly participants in nationalist movements: Hasan al-Banna of the Muslim Brotherhood in Egypt, Rashid Ghannoushi of Tunisia's Renaissance party, and Abbasi Madani of the Islamic Salvation Front in Algeria. Islamic movements have offered an Islamic alternative or solution, a third way distinct from capitalism and communism. Islamists argue that secularism, a modern bias toward the West, and dependence on Western models of development have proved politically inadequate and socially corrosive, undermining the identity and moral fabric of Muslim societies. Asserting that Islam is not just a collection of beliefs and ritual actions but a comprehensive ideology embracing public as well as personal life, they call for the implementation of Sharia, or Islamic law, as a social blueprint. While the majority within the Muslim world seek to work within the system, a small but significant minority believes that the rulers in their countries are anti-Islamic and that they have a divine mandate to unseat them and impose their vision.

In general, the movements are urban-based, drawing heavily from the lower middle and middle classes.

They have gained particular support among recent university graduates and young professionals, male and female. The movements recruit from the mosques and on campuses where, contrary to popular assumptions, their strength is not so much in the religious faculties and the humanities as in science, engineering, education, law, and medicine. Organizations such as the Muslim Brotherhood of Egypt, Jordan, and Sudan as well as South Asia's Jamaat-i-Islami consist in great part of university graduates and professionals. The Islamic Salvation Front's Abbasi Madani, for example, earned his doctorate in education from a British university, while his younger colleague Abdelqader Hachani is a petrochemical engineer and a doctoral candidate at a French university. Seventy-six percent of the Front's candidates in municipal and parliamentary elections in 1990 and 1991 held postgraduate degrees, and a significant portion of the leadership and membership can be described as middle-class professionals.

In many Muslim countries an alternative elite exists, its members with modern educations but self-consciously oriented toward Islam and committed to social and political activism as a means of bringing about a more Islamic society or system of government. This phenomenon is reflected in the presence—and often dominance—of Islamists in professional associations of lawyers, engineers, professors, and physicians. Where permitted to participate in society, Islamists are found in all sectors, including government and even the military.

FROM PERIPHERY TO CENTER

Demonization of Islam proceeded throughout the 1980s, but by late in the decade a more nuanced, broad-based, diverse Islamic world was increasingly evident. Beneath the radical façade, apart from the small, marginalized extremist groups, a quiet revolution had taken place. While a rejectionist minority had sought to impose change from above through holy wars, many others reaffirmed their faith and pursued a bottom-up approach, seeking a gradual Islamization of society through words, preaching, and social and political activity. In many Muslim countries Islamic organizations had become energetic in social reform, establishing much-needed schools, hospitals, clinics, legal societies, family assistance programs, Islamic banks and insurance companies, and publishing houses. These Islamically oriented groups offered social welfare services cheaply and constituted an implicit critique of the failure of the regimes in the countries to provide adequate services.

Along with social activism went increased political participation. In the late 1980s economic failures led to mass demonstrations and food riots in Egypt, Tunisia, Algeria, and Jordan. Moreover, the demand for democratization that accompanied the fall of the Soviet Union

and the liberation of Eastern Europe touched the Middle East as well. Throughout the decade many governments in the Muslim world charged that the Islamic activists were merely violent revolutionaries whose lack of popular support would be evident if elections were held, but few governments showed themselves willing to put this claim to the test. When political systems were opened up and Islamic organizations were able to participate in elections, the results stunned many in the Muslim world and in the West. Although Islamists were not allowed to organize separate official political parties, in Egypt and Tunisia they emerged as the leading opposition. In the November 1989 elections in Jordan they captured 32 of 80 seats in the lower house of parliament and held five cabinet-level positions and the office of speaker of the lower house. Algeria, however, was the turning point.

Algeria had been dominated for decades by a one-party dictatorship under the National Liberation Front (FLN). Because the FLN was socialist and had a strong secular elite and feminist movement, few took the Islamic movement seriously; moreover, the movement had been among the least well known of the country's groups outside its borders, even among Islamists. The stunning victory of the Islamic Salvation Front (FIS), an umbrella group, in 1990 municipal elections sent a shock wave around the globe.

Despite the arrest of front leaders Abbasi Madani and Ali Belhadj; the cutoff of state funds to municipalities, often crippling FIS officials' ability to provide services; and gerrymandering to create districts more favorable to itself, the ruling party failed to prevent an even more stunning sweep by the FIS in parliamentary elections held in December 1991. As Islamists at home and across the Muslim world celebrated, the military intervened, forcing the resignation of Algeria's president, arresting FIS leaders, imprisoning more than 10,000 people in desert camps, and outlawing the front, and seizing its assets.

In the face of the repression much of the world stood silent. The conventional wisdom had been blind-sided. While most feared and were on their guard against "other irans," the Islamic Salvation Front's victory in Algeria raised the specter of an Islamic movement coming to power through democratic elections and ballots worried many world leaders even more than bullets. The justification for accepting the Algerian military's seizure of power was the charge that the FIS really only believed in "One man, one vote, one time." The perceived threat from revolutionary Islam was intensified by the fear that it would capture power from within the political system by democratic means.

THE TRIPLE THREAT

In contrast to other parts of the world, calls for greater political participation and democratization in the Middle East have been met by empty rhetoric and

repression at home and by ambivalence or silence in the West. Middle Eastern governments have used the danger posed by Islamic fundamentalism as the excuse for increasing authoritarianism and violations of human rights and the indiscriminate suppression of Islamic opposition, as well as for the West's silence about these actions.

Fear of fundamentalism, like fear of communism, has made strange bedfellows. Tunisia, Algeria, and Egypt join Israel in warning of a regional and international Islamic threat in their bids to win Western aid and justify their repression of Islamists. "Israel, which for years won American and European backing as a bulwark against the spread of communism through the Middle East, is now projecting itself as the West's defense against militant Islam, a movement it is portraying as an even greater danger."³ Israeli Prime Minister Yitzhak Rabin justified the expulsion of 415 Palestinians in December 1992 by saying that "Our struggle against murderous Islamic terror is also meant to awaken the world, which is lying in slumber. . . We call on all nations, all peoples to devote their attention to the greater danger inherent in Islamic fundamentalism[, which] threatens world peace in future years. . . [W]e stand on the line of fire against the danger of fundamentalist Islam."

Israel and its Arab neighbors have warned that a resurgent Iran is exporting revolution throughout much of the Muslim world, including Sudan, the West Bank and Gaza Strip, Algeria, and Central Asia, as well as to Europe and America; indeed, Egyptian President Hosni Mubarak has urged the formation of a "global alliance" against this menace.

Islam is often portrayed as a triple threat: political, civilizational, and demographic. The fear in the 1980s that Iran would export its revolution has been superseded by the larger fear of an international pan-Islamic movement with Iran and Sudan at its heart. In this decade, despite Iran's relative failure in fomenting revolution abroad, visions of a global Islamic threat have proliferated, combining fear of violent revolution and of Algerian-style electoral victories. French writer Raymond Aron's warning of an Islamic revolutionary wave generated by the fanaticism of the Prophet and Secretary of State Cyrus Vance's concern over the possibility of an Islamic-Western war have been succeeded by columnist Charles Krauthammer's assertion of a global Islamic threat of "fundamentalist Koran-waving Khomeniism" led by Iran.

The Ayatollah Khomeini's condemning of novelist Salman Rushdie to death for blasphemy for his *Satanic Verses*, combined with Iraqi President Saddam

Hussein's call for a holy war against the West during the 1991 Persian Gulf War, reinforce fears of a political and cultural confrontation. This is magnified by some who, like Krauthammer, reduce contemporary realities to the playing out of ancient rivalries: "It should now be clear that we are facing a mood and a movement far transcending the level of issues and policies and the governments that pursue them. This is no less than a clash of civilizations—a perhaps irrational but surely historic reaction of an ancient rival against our Judaeo-Christian heritage, our secular present, and the worldwide expansion of both."⁴

Muslim-Western relations are placed in the context of a confrontation in which Islam is again pitted against the West—"our Judaeo-Christian and secular West"—rather than specific political and socioeconomic grievances. Thus the assault on the West is seen as "irrational," mounted by peoples peculiarly driven by their passions and hatred; how can Western countries really respond to this?

The politics of the Middle East refutes theories of a monolithic threat. Despite a common "Islamic" orientation, the governments of the region reveal little unity of purpose in interstate or international relations because of conflicting national interests and priorities. Qaddafi was a bitter enemy of Anwar Sadat and Sudanese leader Gaafar Nimeiry at the very time that all were projecting their "Islamic images." Khomeini's Islamic republic consistently called for the overthrow of Saudi Arabia's Islamic state on Islamic grounds. Islamically identified governments also differ in their stance toward the West. Libya's and Iran's relationships with the West, and the United States in particular, were often confrontational; at the same time, the United States has had strong allies in Saudi Arabia, Egypt, Kuwait, Pakistan, and Bahrain. National interest and regional politics rather than ideology or religion remain the major determinants in the formulation of foreign policy.

The World Trade Center bombing last year gave impetus to a third current, the portrayal of Islam as a demographic threat. The growth of Muslim populations in Europe and the United States has made Islam the second-largest religion in Germany and France and the third-largest in Britain and America. Disputes over Muslim minority rights, demonstrations and clashes during the Salman Rushdie affair, and the Trade Center bombing have been exploited by strident voices of the right—politicians such as France's Jean-Marie LePen, neo-Nazi youth in Germany, and right-wing political commentators in the United States.

NO DEMOCRACY WITHOUT RISKS

For Western leaders, democracy in the Middle East raises the prospect of old and reliable friends or client states transformed into more independent and less predictable nations, which generates worries that West-

³Emad El Din Shahid, "The Limits of Democracy," *Middle East Insight*, vol. 8, no. 6 (1992), p. 12.

⁴Charles Krauthammer, "The New Crescent of Crisis: Global Intifada," *Washington Post*, January 1, 1993.

ern access to oil could become less secure. Thus stability in the Middle East has often been defined in terms of preserving the status quo.

Lack of enthusiasm for political liberalization in the region has been rationalized by the assertion that Arab culture and Islam are antidemocratic (an issue never raised to a comparable degree with regard to the former Soviet Union, Eastern Europe, or Africa). The proof offered is the lack of a democratic tradition, and more specifically, the glaring absence of democracies in the Muslim world.

The history of that world has not been conducive to the development of democratic traditions and institutions. European colonial rule and postindependence governments headed by military officers, ex-military men, and monarchs have contributed to a legacy in which political participation and the building of strong democratic institutions are of little concern. National unity and stability as well as the political legitimacy of governments have been undermined by the artificial nature of modern states whose national boundaries were often determined by colonial powers and whose rulers were either put in place by Europe or simply seized power. Weak economies, illiteracy, and high unemployment, especially among the younger generation, aggravate the situation, undermining confidence in governments and increasing the appeal of "Islamic fundamentalism."

Experts and policymakers who question whether Islamic movements will use electoral politics to "hijack democracy" often do not appear equally disturbed that few rulers in the region have been democratically elected and that many who speak of democracy believe only in the risk-free variety: political liberalization so long as there is no danger of a strong opposition (secular or religious) and loss of power. Failure to appreciate that the issue of hijacking democracy is a two-way street was reflected in the West's responses to the Algerian military's intervention and cancellation of the election results.

Perception of a global Islamic threat can contribute to support for repressive governments in the Muslim world, and thus to the creation of a self-fulfilling prophecy. Thwarting participatory politics by canceling elections or repressing populist Islamic movements fosters radicalization. Many of the Islamists harassed, imprisoned, or tortured by the regime, will conclude that seeking democracy is a dead end and become convinced that force is their only recourse. Official silence or economic and political backing for regimes by the United States and other Western powers is read as complicity and a sign that there is a double standard for the implementation of democracy. This can create the conditions that lead to political violence that seemingly validates contentions that Islamic movements are inherently violent, antidemocratic, and a threat to national and regional stability.

More constructive and democratic strategies are possible. The strength of Islamic organizations and parties is also due to the fact that they constitute the only viable voice and vehicle for opposition in relatively closed political systems. The strength at the polls of Tunisia's Renaissance party, the Islamic Salvation Front, and Jordan's Muslim Brotherhood derived not only from a hard core of dedicated followers who backed the groups' Islamic agendas but from the many who wished simply to cast their vote against the government. Opening up the political system could foster competing opposition groups and thus weaken the monopoly Islamic parties have on opposition voters. (It must be remembered that the membership of Islamic organizations does not generally constitute a majority of the population.) Finally, the realities of a more open political marketplace—having to compete for votes, and once gaining power having to govern amid diverse interests—could force Islamic groups to adapt or broaden their ideology and programs.

The United States should not in principle object to the involvement of Islamic activists in government if they have been duly elected. Islamically oriented politicians and groups should be evaluated by the same criteria as any other potential leaders or opposition parties. While some are rejectionists, most will be critical and selective in their relations with the United States, generally operating on the basis of national interests and showing a flexibility that reflects understanding of the globally interdependent world. The United States should demonstrate by word and action its belief that the right to self-determination and representative government extends to an Islamically oriented state and society, if these reflect the popular will and do not directly threaten United States interests. American policy should accept the ideological differences between the West and Islam to the greatest extent possible, or at least tolerate them.

All should bear in mind that democratization in the Muslim world proceeds by experimentation, and necessarily involves both success and failure. The transformation of Western feudal monarchies to democratic nation states took time, and trial and error, and was accompanied by political as well as intellectual revolutions that rocked state and church. It was a long, drawn-out *process* among contending factions with competing interests and visions.

Today we are witnessing a historic transformation in the Muslim world. Risks exist, for there can be no risk-free democracy. Those who fear the unknown, wondering how specific Islamic movements will act once in power, have legitimate reasons to do so. However, if one worries that these movements might suppress opposition, lack tolerance, deny pluralism, and violate human rights, the same concern must apply equally to the plight of those Islamists who have

shown a willingness to participate in the political process in Tunisia, Egypt, and Algeria.

Governments in the Muslim world that espouse political liberalization and democracy are challenged to promote the development of civil society—the institutions, values, and culture that are the foundation of true participatory government. Islamic movements, for their part, are challenged to move beyond slogans to programs. They must become more self-critical, and speak out not only against local government abuses but against those of Islamic regimes in Iran and Sudan, for example, as well as acts of terrorism by extremists. They are urged to present an Islamic rationale and policy that extend to their opposition and to minorities the principles of pluralism and political participation they demand for themselves. The extent to which the growth of Islamic revivalism has been accompanied in some countries by attempts to restrict women's rights and public roles; the record of discrimination against the Bahai in Iran, the Ahmadi in Pakistan, and Christians in Sudan; and sectarian conflict between Muslims and Christians in Egypt, Sudan, and Nigeria pose serious questions about religious pluralism, respect for human rights, and tolerance in general.

Islamic revivalism has run counter to many of the presuppositions of Western liberal secularism and development theory, among them the belief that modernization means the inexorable or progressive secularization and Westernization of society. Too often analysis and policymaking have been shaped by a liberal secularism that fails to recognize it too represents a world view, not the paradigm for modern society, and can easily degenerate into a "secularist fundamentalism" that treats alternative views as irrational, extremist, and deviant.

A focus on "Islamic fundamentalism" as a global threat has reinforced the tendency to equate violence

with Islam, to fail to distinguish between illegitimate use of religion by individuals and the faith and practice of the majority of the world's Muslims who, like adherents of other religious traditions, wish to live in peace. To equate Islam and Islamic fundamentalism uncritically with extremism is to judge Islam only by those who wreak havoc—a standard not applied to Judaism and Christianity. The danger is that heinous actions may be attributed to Islam rather than to a twisted or distorted interpretation of Islam. Thus despite the track record of Christianity and Western countries when it comes to making war, developing weapons of mass destruction, and imposing their imperialist designs, Islam and Muslim culture are portrayed as somehow peculiarly and inherently expansionist and prone to violence and warfare.

There are lessons to be learned from a past in which fear of a monolithic Soviet threat often blinded the United States to the Soviet bloc's diversity, led to uncritical support for (anti-Communist) dictatorships, and enabled the "free world" to tolerate the suppression of legitimate dissent and massive human rights violations by governments that labeled the opposition "Communist" or "socialist." The risk today is that exaggerated fears will lead to a double standard in the promotion of democracy and human rights in the Muslim world as can be witnessed by the Western concern about and action to support democracy in the former Soviet Union and Eastern Europe but the muted or ineffective response to the promotion of democracy in the Middle East and the defense of Muslims in Bosnia and Herzegovina. Support for democracy and human rights is more effective if it is consistent around the world. Treating Islamic experiences as exceptional is an invitation to long-term conflict. ■

"Americans expect every society—including their own—to become more free and democratic in tandem with economic modernization. Seen from East Asia, the picture is more complex."

The Coming Pacific Century?

BY TAKASHI INOBUCHI

In the long process of European capitalism's development, economic dynamism diffused from northern Italy through northern France and the Rhineland to the Low Countries and southeastern England. After World War II, capitalist dynamism spread from the United States to Japan, beginning in the 1950s, and then to other parts of East Asia. It reached South Korea, Taiwan, Hong Kong, and Singapore in the years after the original oil crisis, and transformed them into the "four tigers." Malaysia, Thailand, Indonesia, and the Philippines were next, and dynamism has finally arrived in China, Vietnam, and Russia's Far East. In succession, after the years of American pre-eminence, Japan in the 1960s, the four tigers in the 1970s, the countries of the Association of South-east Asian Nations (ASEAN, whose members include Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Thailand) in the 1980s, and now China have led the world in annual economic growth. Japanese economists call it the flying-geese pattern of development.

East Asia has come to be regarded as a region to be reckoned with; a 1993 World Bank report on its accomplishments is entitled *The East Asian Miracle*.¹ Increasingly, other regions are attempting to integrate with it, as evidenced by the high percentage of schoolchildren in Australia and the rest of Oceania who are learning Indonesian, Japanese, and Chinese.

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¹World Bank, *The East Asian Miracle: Economic Growth and Public Policy* (New York: Oxford University Press, 1993). See also Tran Van Tho, *Sangyo hatten to takokuseki kigyo: Ajia Taiheiyō dainamizumu no jisho kenkyū* [Industrial development and multinational firms: A study of the Asian Pacific dynamism] (Tokyo: Toyo keizai shimpōsha, 1993).

²"Goodbye GATT, Hello APEC," *Foreign Report* (London), October 28, 1993, pp. 1–2.

The countries of South Asia, for whom Japan is the largest provider of official development assistance, have been looking east to Japan and ASEAN rather than to the Middle East, eastern Africa, and western Europe, as before. The new countries of Central Asia have been seeking far-off friends, including Japan, along with the United States and Turkey.

Most important, the United States has come to believe it will benefit from closer integration with the Pacific, as its latest call for an enhanced Asian Pacific Economic Cooperation (APEC) conference indicates. Rather than competing with East Asia from outside, the United States seems to be moving in the direction of competing with it from within—integrating with it and gradually forming a Pacific free trade area that would essentially combine the present APEC zone and the North American Free Trade Area. As a matter of fact, Mexico was granted full membership in APEC, and Papua New Guinea and Chile observer status at the group's annual meeting in Seattle in November. Aside from these, half a dozen countries, including Vietnam, Russia, and Argentina, have expressed their desire to become observers and the European Community has asked APEC to allow it to take part in the group's discussions.² The world is jumping on the bandwagon of East Asian dynamism.

It seems now that the Uruguay Round of world trade talks under the auspices of the General Agreement on Tariffs and Trade will not be successfully concluded by the December 15, 1993, deadline and even if it is, GATT's usefulness as a vehicle for global free trade appears to have declined considerably in recent years. In contrast, the Asian Pacific Economic Cooperation conference's potential usefulness in that role is increasing. APEC, with a total population of 1.9 billion, has a 35 percent share of world trade. And direct investment as well as trade has been a major means of transmitting economic vigor throughout East Asia.

THE FLIP SIDE OF DYNAMISM

Yet dynamism is Janus-faced. It means both energy and uncertainty: an energy that can transform economies, and uncertainty and apprehension about what the results of the transformation will be. Rapid growth

means that adjustments occur regularly in the economy, and may even be breathtaking. Capital, labor, and technology must always be ready to move in different directions so as not to bring about comparative disadvantage in the increasingly liberalizing global market; structural adjustments require, among other things, agility and flexibility, and if you are unable to change your relationship with the market you are bound to go down. Such adjustments sometimes leave workers jobless and firms bankrupt. Rampant unemployment and business failures in times when it is difficult to find new positions or to set up new ventures can create social unrest and perhaps also lead to political turmoil.

If institutional and market infrastructures are relatively well developed, these kinds of problems are not likely so long as the economy keeps growing. But infrastructures in many East Asian countries are not sufficiently developed and economic dislocation could easily occur, even if only temporarily.

Furthermore, in much of East Asia political practices have been less than fully democratic. Many of the region's regimes have pointed to strong national economic performance to shore up their political legitimacy. But once per capita income in a country reaches a certain level, demands for a larger say in the political process tend to increase. Rapid growth creates or makes more self-assertive social groups such as urban youth, a middle class, peasants, or minorities—some of which often begin to call for more radical political democratization than the government is willing to allow. Hence the great need in East Asia to balance the disequilibrium continually created by rapid economic development.

A number of political disturbances in East Asia in the late 1980s and early 1990s are directly related to the unbalancing of society by rapid economic change: the pro-democracy demonstrations in Beijing's Tiananmen Square in 1989; the movement against Indonesia's annexation of East Timor; the four days of confrontations between citizens and troops in Bangkok in May 1992; and even the protests against Myanmar's military regime. These all led to the use of force by authorities and, except in the case of Thailand, to further government repression. On the positive side, in addition to the fall of the military government in Thailand, the democratization of the Philippines and South Korea took place mainly or partly because of popular protests.³ But whether by moving toward or away from democracy, East Asian regimes seem to have ridden out the upheavals.

Janus-faced East Asia can be portrayed as an extremely prosperous and peaceful swath of the world; looking at Somalia, Bosnia and Herzegovina, Georgia,

and Kashmir, one can easily be persuaded that East Asia is relatively tranquil, at least for the time being. Yet it could also be viewed as a dangerous and war-prone region over the longer term.

First, no region-wide security arrangements have been agreed on other than those with the United States, which are largely bilateral. And the United States has vacillated between pursuing supremacy in every major region of the world and focusing its domestic energies on enhancing economic competitiveness. Neither aggressive proposing and disposing nor populist-backed isolationism seems to be welcome in East Asia. Meanwhile, American policy on North Korea, which makes keeping the global nuclear Non-Proliferation Treaty regime intact a priority seems, inadvertently, to encourage Japan and (to a lesser degree) South Korea to go nuclear—somewhat like the way American insistence on dealing almost exclusively with Russia on the subject of nuclear nonproliferation in the Commonwealth of Independent States encourages Ukraine to hold onto its nuclear weapons.

Developmental momentum alone could create an alarmingly large military establishment in East Asia once anxiety and suspicion come to prevail in the general uncertainty. The hostility the West directed toward China for a couple of years after the Tiananmen Square massacre has led China to rely more on its military power. With the Chinese economy's annual growth rate exceeding 10 percent, adjacent countries cannot help regarding the military buildup in China with some apprehension, especially when the emphasis on long-range air and naval capabilities is perfectly clear.

Another reason for regarding the region as a possible trouble spot is that East Asian states have traditionally been intensely nationalistic toward each other as well as when facing outsiders. Long memories prevent the Japanese and the Russians, who have fought several wars against each other, from coming to terms. The Khmers maintain their vigilance against both the Vietnamese and the Thais. Most Pacific Asians hold Japan's history against it and harbor ambivalent feelings toward Americans. A sense of shared interests and hence community has been much slower to develop than the mutual desire to keep up developmental momentum and maintain the global free trade regime—which in some regions would have overridden all other hindrances much earlier.

JAPAN'S STARRING ROLE

As other East Asian countries ride the bandwagon of regional dynamism while trying to balance the forces tending to unsettle them, Japan's role has been to channel economic energy while shoring up regional stability. Of course Japan is not the only country to make such efforts, but it has been the most consistent and effective in carrying out these two tasks. Japan's

³James William Morley, ed., *Driven by Growth: Political Change in the Asia-Pacific Region* (New York: M. E. Sharpe, 1993).

channeling of dynamism throughout East Asia has been largely through market forces; its ingenuity lies in the fact that while it is deferential to market forces, it does not hesitate to take advantage of them to add to the region's common stake as well as to satisfy its own national interests.

It is important to stress here, as Winston Lord, the United States assistant secretary of state for East Asian and Pacific affairs, did in the *Far Eastern Economic Review* of last November 11, that "It is the business community that is the driving force behind the region's growth and prosperity." But this does not hinder the Japanese government from helping business do better in East Asia. If an East Asian country receiving development assistance has low per capita national income and if its infrastructure is too primitive to begin building manufacturing bases, Japanese official development aid will employ more grant elements than loans. If income is sufficiently high and infrastructure steadily being enhanced, assistance will involve more loans than grants. Japan's philosophy of development is essentially one of self-reliance; hence Tokyo expects recipients to possess the self-discipline necessary to pay back such loans. Also, the Japanese model emphasizes infrastructure and manufacturing. This thinking has gradually come to be ingrained in Japanese demands and development planning, as well as trade and investment decisions.

But most important, it is market forces, through trade and investment, that help Japan channel dynamism to the rest of East Asia. Thanks to Japan's early industrialization after World War II, the country forged ahead of the remainder of the region in exporting products with greater value added—especially capital goods—thus encouraging the rest to move in the direction of manufacturing-based economies. Japan's exports of capital goods to East Asia caused it to register a chronic trade surplus with the countries of the region that did not export oil, such as South Korea. As wage levels in Japan rose, many Japanese firms based their manufacturing sites throughout East Asia; these constituted direct investments in the region's other countries. At the same time, exporting higher-value-added products—cars, machinery, and electronic products—to the United States meant Japan had chronic trade surpluses there also. To cope with a protectionist surge in the United States as well as wage hikes in Japan, many Japanese businesses invested in America, which has helped channel dynamism to North America as well. Now, with the deep recession in Japan, coupled with the further appreciation of the yen against the dollar, many Japanese manufacturers have located the bulk of their manufacturing and even research and development facilities in East Asia, thus fueling economic growth in countries such as Thailand, Malaysia, and, most recently, China. By 1991

Japan's trade with East Asia surpassed that with North America, and last year's trade surplus with East Asia was likely to top the surplus with North America. This creates simmering resentment against Japan in East Asia, but the overall benefits of riding the bandwagon seem to alleviate or at least mask it.

Transmitting dynamism has its negative consequences. One of these is the growing social and political instability mentioned earlier. The Japanese government has discreetly and yet often effectively helped keep East Asian countries from exploding during particularly rough periods—for example, China after Tiananmen Square. Japan joined its fellow industrial nations in the Group of Seven in imposing economic sanctions against China in 1989. But sanctions dried up the foreign loans that China had heavily relied on for years, and this weakened the central government and further unsettled the country. Since it was in the best interests of the seven not to destabilize China excessively for too long, Japan persuaded them to lift sanctions in 1991.

When Indonesia suppressed East Timor's independence movement in 1991—killing of as many as 200 protesters by troops—Japan was among the countries that convinced the Indonesian government to release basic information on the suppression and to set up an international forum to discuss the issue of human rights. Needless to say, Tokyo has been criticized, especially in the West, for being too soft on China and Indonesia, even at the expense of its own reputation. But the government seems to believe in change from within more than change by outside intervention. It also places supreme emphasis on regional stability.

More directly furthering stability—though its role here has often been overlooked—Japan has actively aided local firms and governments in training their managers and employees and their bureaucrats. Programs have ranged from setting up a joint cafeteria for workers and managers to skill retooling through a dose of the government models on taxes, banking, budgeting, and planning.

THREE ENDS MAKE A BEGINNING

Whether or not such efforts in potentially contradictory directions—keeping the bandwagon rolling while balancing destabilizing forces, and simultaneously channeling dynamism and shoring up stability—bear fruit can be examined from another angle: setting East Asia in a global context.

As the new millenium approaches, observers are discussing a number of "ends" that might characterize the changing world order. I will use three of these—the end of the cold war, "the end of geography," and "the end of history"—to characterize the transformation that has been penetrating the entire world, and East

Asia in particular.⁴ The three are usually seen as triumphs: respectively, the victory of the United States over the Soviet Union, the victory of international liberal capitalism, and the victory of liberal democracy. But I view each of them in a different light—one that I believe more accurately captures the dialectics of world order at the century's close.

I see the end of the cold war as a contradiction in international security between current United States military supremacy and America's perception of its inescapable technological and economic decline. By the end of geography I mean the contradiction in the world economy between the globalizing forces of economic activities today and self-encapsulating, inward-looking forces. And by the end of history I mean the contradiction in societies between the liberalizing and the regulating tendencies of political economy.

In other words, the end of the cold war denotes an extremely worrisome situation in which the United States vacillates between a desire for primacy and supremacy on the one hand and isolationism and passivity on the other. The end of geography denotes something no less troubling about competition between economic liberalism and protectionism and between globalism and regionalism. And the end of history has spawned unsettling questions about how societies are organized now that the more than century-long ideological struggle between capitalism and communism and between liberalism and ideological authoritarianism has "ended."

East Asia has been deeply affected by each of these, albeit not yet visibly. The cold war's end has left East Asian states apprehensive about the future of regional security. The region's development is bound to accelerate military buildups in its countries over the longer term, since gross national product and military expenditures tend to go hand in hand. Yet there are no multilateral security arrangements governing East Asia; as previously mentioned, what the region has is largely United States-led bilateral arrangements. The United States, compromising between clashing groups in society, seems to swing between activism in the world and isolationism. The United States plays a leading and sometimes hegemonic role in instituting such arrangements and yet in carrying them out has to mobilize cooperation and compliance from other countries when it itself cannot guarantee an equal return.

East Asian countries, however, seem unable to build their own multilateral security arrangements, in part because of rivalry and mutual suspicion. Looked at from a slightly different angle, the United States role in

East Asia has increased in the short term. Only America can restrain the region's steady military buildup, yet America's role, most agree, will shrink over the longer run. East Asian countries endeavor to become self-reliant in the face of threatening military buildups by others and at the same time to construct regional security arrangements; ironically, United States efforts to retain the American military presence in the area and to constrict regional security arrangements tend to undermine East Asian initiatives toward such goals. Grave issues like North Korea's nuclear program and China's rise as a military power must not be handled by the United States alone.

Of the three recent fundamental changes in the world, "the end of geography" has in East Asia had the most profound and perhaps the most long-lasting effects. The momentum in development and the way the region has been growing propels East Asia to seek ever-expanding access to markets around the globe. Given its enormous population, the strong push for development, and the need for energy and food from other regions, East Asia has been forced in a sense to chalk up manufacturing successes in order to export successful manufactures, earn hard currency, and import petroleum products, foodstuffs, and other key commodities for such manufacturing. Needless to say, this is not the only method for acquiring wealth, but it has happened to be the most popular one in East Asia. Thus the more momentum development gains in East Asia, the more likely it is that Europe, North America, or other regions will resort further to protectionism and regionalism.

The efforts under the Maastricht Treaty on European union and the proposed North American Free Trade Agreement (NAFTA) to establish comprehensive systems covering all economic endeavors seem to have lost the drive and enthusiasm of past years. Although they represent the rules for further market liberalization, they are tinged with the colors and flavors of regionalism and protectionism. Lack of progress toward further liberalization of markets could mean different arrangements between the European Community and North America. It seems to this author that the EC would be more likely to slide into regionalism and protectionism of a more malign kind if liberalization lags, and that NAFTA would be less likely to do so if this were the case. Western Europe has not developed its relationship with East Asia as assiduously as North America, and the areas adjacent to it—central and eastern Europe, the Middle East, Africa—have not yet shown the developmental vigor East Asia has. North America has been more varied internally as to growth momentum, but Mexico and some other Latin American economies will register growth powerful enough to lift the continent, especially if they are more closely tied into North American and East Asian economies. Thus protectionism and regionalism would make less sense for North

⁴See Richard O'Brien, *Financial Integration: The End of Geography* (London: Pinter, 1992); and Francis Fukuyama, *The End of History and the Last Man* (New York: Basic Books, 1991). George Bush may be credited as the original author of the end of the cold war.

America, than they might seem to make for the countries of western Europe.

At any rate, East Asia's dilemma is real. The more single-mindedly it pursues its development strategy, the more trouble it will face down the road when western Europe and North America combined still represent the largest market. Yet East Asia's resort to regionalism of one kind or another is widely believed to send the signal to North America and western Europe that they can go ahead with their scheme of organizing their trade and economic activities through more or less regionally defined norms. As long as East Asia seeks global free market access, and as long as it wants to leave differences in thinking within the region to market forces as well as to more gradually developed schemes of rule making, it does not believe itself fit to develop some codification of trade, investment, and international property that it would then present to the rest of the world as comprehensive. It looks as if the Asian Pacific Economic Cooperation conference will in time encompass both sides of the Pacific, and codification efforts will begin gradually if GATT negotiations continue to fail to further market liberalization as a comprehensive package.

The "end of history" has been no less difficult to handle. The disappearance of European communism does not mean communism is dead in East Asia. Yet the region's remaining Communist regimes—China, Vietnam, North Korea, and Laos—face immense problems coping with popular demands that are now brewing. These will be invigorated as development increases. In the extreme case of China, development has been let loose under the Communist dictatorship, and the resultant dynamism has had destabilizing effects. Since Chinese institutions are not geared to the market, corruption has become a substitute for market forces. In non-Communist East Asian countries as well, governments' suppression of freedom and democracy on the pretext of keeping communism at bay must be redressed steadily in the direction of accommodating more popular demands.

The end of history not only creates problems from within, but also invites difficulties from without. The most important of these are the critical voices raised on issues of human rights, democracy, military development, and the environment. The former two especially are a new kind of challenge to East Asian countries. Americans expect every society—including their own—to become more free and democratic in tandem with economic modernization. Seen from East Asia, the picture is more complex. This region of growing wealth and competitiveness invites jealousy and enmity from beyond its borders, especially from North America, which has been vexed by its own ambivalence about

primacy and competitiveness. In the words of Singapore's senior minister, Lee Kwan Yew, if East Asia adopts American-style democracy, chaos will ensue and competitiveness will dip.

As East Asia works to channel its dynamism while maintaining stability, the addition of new forces for disequilibrium is hardly welcome. Two major categories are noteworthy: economic sanctions and humanitarian intervention. Sanctions have been imposed on the occasion of Vietnam's invasion of Cambodia, China's Tiananmen Square crackdown, and Myanmar's suppression of a fledgling democracy movement. Humanitarian intervention has been tried in Somalia, but not yet in any East Asian country. The very idea that foreign countries like the United States or international institutions like the United Nations can intervene on the pretext that demonstrators are being suppressed or human rights otherwise violated is perceived in some quarters of East Asia, where the more traditional notion of state sovereignty has held sway and where Western and Japanese colonialism has hardened the meaning of state sovereignty, as radical or overly Machiavellian. Yet the trend in the world has been to reduce the state's monopoly on action in favor of business, minority groups, citizens movements, and other groups, some of them transnational, and East Asia cannot be the exception.

AMONG THE SCENARIOS

In January 1989 I predicted that a form of the Pax Americana was most likely for the region during the next quarter- to half-century, despite all the foreseeable difficulties. I further said that this might evolve into either bi-gemony (Japan and the United States acting jointly as global managers) or Pax Consortis (an issue-oriented coalition managing the world), depending on how science and technology, the neutralization of nuclear arsenals, and the region's historical legacy evolved.⁵

This forecast seems to have held up under the test of the global upheaval of 1989–1993. The military supremacy of the United States has been demonstrated by the demise of the Soviet Union and by the Persian Gulf War, in which the United States organized and led the winning coalition. The United States has been able to dilute or discourage the regionalist efforts of two other major parts of the world—namely the Maastricht Treaty and the East Asian Economic Council. And America has been able to bring up agendas of a new kind, turning on humanitarian intervention and human rights and democracy.

Yet recognition that the United States might damage itself severely in the longer run in the attempt to sustain its current strength leads some to propose scenarios for the future based on the direction of United States policy. These include "Back to the Future," which sees the world returning to the war-

⁵"Four Japanese Scenarios for the Future," *International Affairs*, vol. 65, no. 1 (Winter 1988–1989), pp. 15–28.

filled days of the first half of this century; "managed trade," which envisions the world with international economic liberalism substantially reduced; and "The Clash of Civilizations," which confesses to impotence in the face of self-assertion from outside the nostalgically imagined circle of Anglo-Saxon elite. All can be taken as symptoms of American anguish.⁶

Despite these and other inflated anxieties, the military supremacy of the United States, the disappearance of the tyranny of distance, and the predominance of capitalist democracy—albeit in a much more twisted form because of the contradictory forces working against it—seem to be the three major developments carrying us into the new millennium. The question is, how twisted has capitalist democracy become in the different societies that espouse it?

In international security, Euro-American effectiveness seems somewhat on the wane, as can be seen in its failure to prevent wars in the former Yugoslavia and the

former Soviet Union from deepening. Whether the Pacific effort as vindicated by the success of the UN mission in Cambodia is the wave of the future is difficult to say. How the United States handles North Korea's determination to become a nuclear state could be a good indicator. In the world economy the possible failure of trade talks under GATT and the steady success of the Asian Pacific Economic Cooperation conference, coupled with the EC's further integration, currently somewhat stalled, would herald the bi-gemony scenario. As Bruce M. Russett points out in his *Grasping the Democratic Peace*, published this year, the way capitalist democracy is organized in each society seems to determine the degree of twisting that takes place. So long as capitalist democracy remains the wave of the future, the Pax Consortis is not ruled out. Democratic peace may not be a perpetually unfulfilled dream.

East Asia enters the new millennium powered by dynamism, the economic and political bases for its societies substantially enhanced, and closer links with North America steadily being forged. The coming century is more likely to be the Pacific Century than the Atlantic Century, let alone the century of the Indian Ocean or of the Eurasian landmass. ■

⁶See John Mearsheimer, "Back to the Future," *International Security*, vol. 15, no. 1 (Summer 1990); Clyde V. Prestovitz, Jr., "Beyond Laissez-Faire," *Foreign Policy*, no. 87 (Spring 1992); and Samuel Huntington, "The Clash of Civilizations?" *Foreign Affairs*, vol. 72, no. 3 (Summer 1993).

"As a result of its economic marginalization and relatively feeble attempted [economic] reform, Africa is in many respects lost between state and market. It wanders between ineffective states and weak markets, both domestic and international, and the latter are increasingly indifferent."

Africa: Falling Off the Map?

BY THOMAS M. CALLAGHY

In the mid-nineteenth century, after the end of the slave trade and before the imposition of direct colonial domination, Africa found itself both marginalized from the world economy and highly dependent on it. A leading historian of Africa has pointed out this paradox, and noted that it operated in the opposite direction as well: the world's "increasing involvement in the African economy...[was] at odds with the decreasing economic importance of Africa" for the world economy.¹ At the end of the twentieth century, this paradox still holds; in fact, it is truer now than it was in the pre-colonial period.

Africa's increased marginalization has been both economic and political-strategic, but the former is most significant. Africa is no longer very important to the international division of labor or to the major actors in the world economy—multinational corporations, international banks, the economies of the major Western countries or those of the newly industrializing countries such as South Korea, Taiwan, Brazil, and Mexico. Africa generates a declining share of world output. The main commodities it produces are becoming less sought after or are more effectively produced by other third world countries. Trade is declining, nobody wants to lend, and few want to invest except in selected parts of the mineral sector.

Africa's per capita income levels and growth rates have declined since the first oil crisis in 1973, while its percentage of worldwide official development assistance rose from 17 percent in 1970 to about 38 percent

in 1991. Since 1970, nominal gross domestic product has risen more slowly than in other developing countries, while real GDP growth rates have dropped dramatically since 1965.

Other developing countries performed better in spite of the poor world economic climate, especially in the 1980s. For the period 1982–1992, average annual GDP growth for Africa was 2 percent; for South Asia, the most comparable region, it was a little over 5 percent, while the East Asian rate was 8 percent. The rate for all developing countries was 2.7 percent. The per capita GDP rates are even more revealing: Africa, 1 percent; South Asia, 3 percent; and East Asia, 6.4 percent. The World Bank's baseline projections for the decade beginning in 1992 are more optimistic, projecting annual GDP growth of 3.7 percent for Africa, but the bank's estimates for Africa have often proved overly hopeful, and the assumptions of the current forecast are startling. They assume less unfavorable external conditions, including a break in falling commodity prices; more liberalized world trade regimes; and no real decline in the growth of industrial countries; less civil strife; improvement in economic policies and implementation; a higher percentage of foreign investment; the continuation of current foreign aid; and no major adverse weather! The forecast does, however, anticipate a 50 percent rise in the number of poor people, from 200 million to 300 million, making Africa the only region in the world with an overall increase in poverty.

In addition, African export levels have stayed relatively flat or have actually declined since 1970, while those of other developing countries have risen significantly. For example, the continent's share of developing-country agricultural exports slumped from 17 percent to 8 percent between 1970 and 1990, with South and East Asian exports expanding rapidly. Africa's marginalization becomes more startling when its performance is compared with that of other low income regions, particularly South Asia. The difference between the two is striking for per capita GDP growth; Africa's has slipped markedly while that of South Asia has climbed slowly but steadily as the African population growth

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¹Ralph Austen, *African Economic History* (London: James Currey, 1987), pp. 102, 109. In this article, Africa means sub-Saharan Africa minus South Africa.

rate continues to rise while that of South Asia has begun to decline.

The most important differences, however, relate to the level and quality of investment. Africa's investment as a percentage of GDP declined in the 1980s, while that of South Asia continued to increase despite the difficult economic conditions of the decade. South Asia followed better economic policies, and above all provided a much more propitious socioeconomic and political environment for investment. This is most vividly manifested in the rate of return on investment: in Africa, the rate fell from almost 31 percent in the 1960s to just 2.5 percent in the 1980s, while in South Asia it inched steadily upward, from 21.3 percent to 22.4 percent.

Given this dismal economic performance, both substantively and comparatively, it is not surprising that world business leaders take an increasingly jaundiced view of Africa. As one business executive said to this author, "Who cares about Africa; it is not important to us; leave it to the IMF [International Monetary Fund] and the World Bank." Some observers have referred to this phenomenon as "postneocolonialism." For the most dynamic actors in a rapidly changing world economy, even a neocolonial Africa is not of much interest anymore, especially after the amazing changes wrought in Eastern Europe and elsewhere beginning in 1989. According to this viewpoint, the African crisis really should be left to the international financial institutions, and if their salvage effort works, fine; if not, so be it, the world economy will hardly notice.

Thus, whatever one thinks about the role of foreign business and capital, it is important to remember that Africa increasingly imposes enormous difficulties for them, such as political arbitrariness and administrative, infrastructural, and economic inefficiency. Because foreign capital has the considerable ability to select the type of state with which it cooperates, it is very doubtful that Africa will play any significant role in current shifts in the patterns of production in the international division of labor. For most businesspeople from abroad Africa has become a sinkhole that swallows their money with little or no return. Two arresting facts further underscore Africa's marginalization: the amount of external financing through bonds for East Asia in 1991 was \$2.4 billion, and for South Asia \$1.9 billion, while it was zero for Africa; and flight capital as a percentage of GDP at the end of 1990 was 15 for South Asia, 19 for East Asia, and 28 for developing Europe and for Central Asia, while it was 80 for Africa.

Disinvestment, in fact, has emerged as a trend. During the 1980s, for example, 43 of 139 British firms with industrial investments in Africa withdrew. Ironically, the retrenchment has in part been due to economic reforms that have done away with overvalued exchange rates and import tariff protection. The British

firms were unwilling to inject new capital to make their investments efficient by world standards of competitiveness. While Japan is now the major donor, it is not likely to be a major investor in Africa; in the 1980s, for example, the number of Japanese commercial companies operating in Kenya dwindled from 15 to 2.

The second aspect of Africa's marginalization is at the strategic level, which has also had negative economic consequences. Africa has become of much less interest to the major world powers with the dramatic changes in the international arena, especially the end of the cold war. As one senior African diplomat put it, "Eastern Europe is the most sexy beautiful girl, and we are an old tattered lady. People are tired of Africa. So many countries, so many wars." The rise of warlords in regional and civil wars similar to those in nineteenth-century Africa has challenged the very notion of the nation-state borrowed at independence in the 1960s. Eritrea's independence from Ethiopia, made official last year, and the potential breakup of countries such as Zaire, raise the potentially inflammatory issue of redrawing old colonial boundaries sacrosanct for 30 years. External intervention on the scale seen in Somalia recently is not likely to be repeated; the malign neglect applied to the greater Liberian, Angolan, and Sudanese civil wars is likely to be the more common reaction to such conflicts.

THE NEW NEOCOLONIALISM

Yet in other ways Africa has become more tightly linked to the world economy. This increased involvement has two aspects: an extreme dependence on public actors from outside Africa, particularly the IMF and the World Bank, in the determination of African economic policy; and the liberal or neoclassical thrust of the policy so developed, which pushes the continent toward more intense reliance on and integration with the world economy. Both these aspects are directly linked to Africa's debt crisis.

In 1974 total African debt was about \$14.8 billion; by 1992 it had reached an estimated \$183.4 billion, or about 109 percent of Africa's total GNP. (In comparison, in South Asia it was 36 percent, and in East Asia 28 percent.) Much of the recent rise has come through borrowing from international financial institutions, especially the IMF and the World Bank, that has been associated with economic reform programs sponsored from outside, usually referred to as structural adjustment. In 1980 debt through international financial institutions constituted 19 percent of the total, whereas by 1992 it accounted for 28 percent. This cannot be rescheduled and significant arrears are accumulating, with the result that IMF and World Bank assistance to some countries has been cut off. Much of the rest of Africa's debt is bilateral or government-guaranteed private medium- and long-term debt and thus is rescheduled by leading Western governments through

the Paris Club, and not by the private banks as in Latin America. Countries cannot obtain Paris Club rescheduling relief without being in the good graces of the IMF and the World Bank.

Despite its relative smallness by world standards, the enormous buildup of African debt puts terrible strains on fragile economies. By the end of the 1980s the debt was the equivalent of 350 percent of exports. Africa's debt service ratio (debt service owed as a percentage of export earnings) averaged a little less than 30 percent by the mid-1980s. By 1992 it still averaged more than 25 percent, with some African countries showing much higher rates; Uganda's, for example, was 80 percent. The debt service ratios would be significantly lower, however, if African export growth had kept pace with the performance of other less developed countries. Only about half of debt service owed is paid in any given year, which tends to dampen foreign direct investment.

Given such debt, African countries have benefited from rescheduling concessions such as longer terms and grace periods, lower interest rates, and the rescheduling of previously rescheduled debt. Between 1989 and 1991, about \$10 billion in concessional debt, especially that incurred by the continent's low-income nations, was written off by Western countries, including the initially unwilling United States. Despite strong pressure from the IMF, the World Bank, various UN agencies, and private organizations such as Oxfam, most of the major donor countries are still resisting significant debt cancellation.

As in other areas of the third world, this external debt burden and the consequent desperate need for foreign exchange have left African countries highly dependent on a variety of actors from outside the continent, all of which have used their leverage to "encourage" economic liberalization. This process, which some have referred to as "the new neocolonialism," means intense dependence on international financial institutions and major Western countries for the design of economic reform packages and for the resources needed to implement them. Specific economic policy changes are requested in return for the lending of resources. The primary intent of these economic reform efforts is to more fully integrate African economies into the world economy by resurrecting the primary-product export economies that existed at independence and making them work better this time by creating a more "liberal" political economy.

The track record of IMF and World Bank economic reform in Africa since the early 1980s has been quite modest. Ghana under the authoritarian military government of Jerry Rawlings has been about the only case of sustained economic transformation, and it is still fragile. Even African countries that traditionally did relatively well economically in the postcolonial period are now in considerable trouble—Nigeria, Kenya, Ivory

Coast, Cameroon, and Senegal have grave economic problems and weak or failed economic reform efforts.

As a result of its economic marginalization and relatively feeble reform efforts, Africa is in many respects lost between state and market. It wanders between ineffective states and weak markets, both domestic and international, and the latter are increasingly indifferent. Many African officials fail to realize just how unimportant Africa is becoming to the world economy. Many are still looking for a quick fix, while the last decade of world history shows that one does not exist. If African countries are to survive, changes must be made. If not, changes in the world political economy will continue to pass Africa by, with very serious long-term consequences for the people of the continent.

DEBATING WHAT TO DO

By the end of the 1980s, with obstacles to reform on all sides, the key question remained: what should Africa do to cope with its devastating economic crisis? The answer from outside, led by the World Bank, was to persevere with the thrust of reforms while making modifications to make them work more effectively. Many Africans remained unconvinced. This fundamental disagreement had simmered quietly throughout the decade behind what appeared to many as a growing consensus around a modified neo-orthodox position.

This disagreement erupted with surprising vigor in what could be called "the bloody spring of 1989." A major battle ensued between the World Bank and the UN's Economic Commission for Africa (ECA) as the former tried to defend structural adjustment and the latter attack it and present its own alternative strategy. Both sides made inappropriate claims. The record of structural adjustment was not nearly as strong as the World Bank tried to make it appear. On the African side, the ECA's "alternative framework" was a warmed-over version of earlier statist and "self-reliant" policies that were vague, often contradictory, and could not be implemented under the best of conditions—all linked to staggering demands for money and other resources. Many Africans were still running from the world economy while looking for a shortcut to development.

By late 1989 the visceral emotions of the bloody spring had been substantially tamed, though without resolution of many of the underlying disagreements. One of the main pacifying factors was the World Bank's release of its long-awaited "long-term perspective study," *Sub-Saharan Africa: From Crisis to Sustainable Growth*, which had been drafted following extensive consultation with Africans—from government officials and entrepreneurs in both the formal and informal economies to the heads of African private volunteer organizations. The report demonstrated that the World Bank had learned many lessons from the attempts at structural adjustment in the 1980s, especially the

desperate need for institutional change and for a slower, more sequenced transition that recognized the sociopolitical obstacles to change. Its major themes were that Africa requires an enabling environment—above all, technical and administrative capacity (both state and private) and better political governance.

The report sought a second-generation development strategy in which the state listens carefully to the market even if it does not precisely follow it. Although not put in these terms, this strategy would attempt a move away from the predatory and inefficient mercantilism of the first 30 years of independence and back toward a more productive and efficient, though limited, version of what some have called “benign mercantilism”—that is, toward a more productive tension between state and market.

From the African point of view, this second-generation strategy is clearly a second-best one. But critics of structural adjustment, both inside and outside Africa, do not have a viable alternative to this modified version of neo-orthodoxy. The current African state does not have the capabilities for the more interventionist versions of benign mercantilism represented by South Korea and Taiwan. Governments can, and should, work in that direction, but the transition will be slow and uneven.

Creative tinkering with the neo-orthodox strategy by both African governments and the IMF and World Bank could begin to move the continent in useful directions. The long-term perspective study seemed to represent a step down that road. Ultimately it is not just a question of finding the “precarious balance” between state and market or state and society, but rather of searching for the balance between state, market, and the international arena.

This author would argue that the debate was reignited because many of the nice-sounding “lessons” of *From Crisis to Sustainable Growth*, which were meant to placate a variety of critics, have either been very difficult to implement or the IMF and the World Bank have simply not tried to do so seriously. Largely this is because structural adjustment requires difficult tradeoffs that most opponents refuse to face squarely. Structural adjustment cannot be all things to all people; if it could, there would be no crisis.

DEMOCRACY AND ECONOMY

The three-way balance between state, market, and the international arena has proved hard to achieve. In part this is because the international arena has a habit of presenting new and unexpected challenges for African rulers. While *From Crisis to Sustainable Growth* was initially well received by many Africans, it con-

tained a time bomb called governance—the issue of how African states are ruled—which has brought considerable new tension and uncertainty to relations between Africans and influential groups from outside, and to economic policy.

With the shifts in the world since 1989, especially in Eastern Europe but also in Central America and South Africa, and the search for a new direction in foreign policy to replace containment—what the Clinton administration has recently called “enlargement” of the world’s free community of market democracies—governance has been transformed by the major Western industrial democracies into a strategy for the promotion of democracy. The convergence of these two policy thrusts—one largely technocratic from the World Bank, the other distinctly political from the major powers—has posed a real dilemma for Africa.

Political conditionality, or making bilateral assistance and loans from international financial institutions conditional on domestic political changes, greatly increases African dependence on outside actors. Many African leaders fear this, including a few who are committed to economic reform. Guinea’s finance minister, Soriba Kaba, for example, recently complained about the proliferation of conditions that African regimes have to face, “especially relating to governance and performance,” saying that “application of these criteria, without agreed parameters and precise definitions, may be used as a pretext to reduce the volume of resource flows to our continent.”² Some leaders resist energetically, such as Zaire’s Mobutu Sese Seko; others, such as Kenya’s Daniel arap Moi and Cameroon’s Paul Biya, stall while playing charades with critics both inside and outside their countries.

However, a major contradiction may indeed exist between economic and political conditionality, one that Western governments either do not see or ignore. The primary assumptions appear to be that economic structural adjustment and political liberalization are mutually reinforcing processes, and that since authoritarian politics in large part caused the economic malaise, democratic politics can help lift it. Yet evidence from the second and third worlds over the last decade does not support such optimism. This is not to say that authoritarian regimes can guarantee economic reform or even produce it very often. Nor is it to say that economic reform under democratic conditions is impossible; it is just very difficult.

Presumptions about the mutually reinforcing nature of political and economic reform in Africa rely on an extension of neoclassical economic logic: economic liberalization creates sustained growth, growth produces winners as well as losers, winners will organize to defend their newfound welfare and create sociopolitical coalitions to support continued economic reform. This logic, however, does not appear to hold for Africa,

²Cited in “The IMF and the World Bank: Arguing about Africa,” *Africa Confidential*, vol. 34, no. 20 (October 8, 1993), p. 3.

even under authoritarian conditions, much less under democratic ones.

The winners of economic reform in Africa are few, appear only slowly over time, and are hard to organize politically. The neoclassical political logic of reform is too mechanistic for Africa; there are real "transaction costs" to organizing winners, and not just infrastructural ones. Other organizational bases of political solidarity exist—ethnic, regional, religious, linguistic, and patron-client—that make mobilization around policy-specific economic interests difficult in much of Africa.

Some have argued that Africa does not have a democratic tradition, but in fact it has a vivid one, although its day was brief and ended in failure, and the reasons for its demise have not disappeared. The periodic reemergence of democratic regimes in Ghana and Nigeria over the last two decades indicates that old patterns of politics reappear with amazing vigor; political liberalization is not likely to guarantee the appearance of new political alignments that favor sustained economic reform.

The progress of democratization in Africa has been very uneven. Outside actors tried political conditionality in Kenya only to have it undermined by the maneuvering of the Moi government and the inability of the opposition to come up with a single presidential candidate and slate of legislators. In Zambia, where a full transition did take place in late 1992, the new government of Frederick Chiluba has been confronted with political factionalism, renewed corruption, ethnic and regional tension, and uneven economic performance, despite good intentions and help from abroad.

Is this version of the "thesis of the perverse effect"—that political liberalization might have a negative impact on the chances for sustained economic reform—likely to hold across the board for Africa? No, it is not. It is important to assess particular countries. But if not handled properly, political conditionality might well impede rather than facilitate Africa's relinking to the world economy in more productive ways. The widespread emergence of what UCLA professor Richard Sklar has called "developmental democracies" is not likely in Africa any time soon.

Finally, the actions of Western governments in other areas of the world will be important. Many Africans, for example, are likely to see recent support for Russian President Boris Yeltsin's accumulation of executive power and manipulation of constitutional and electoral practices, largely in the hope of getting more coherent economic reform, as highly hypocritical: one standard for strategically important Russia and another for marginal and dependent Africa.

ENDING AS THEY BEGAN

With or without political conditionality, what are the prospects that African countries will engage success-

fully in economic reform and establish more a productive relationship with the world economy? The answer appears to be that simultaneous marginalization and dependence are likely to continue, and probably increase, for most countries. A few, with hard work, propitious circumstances, and luck, may begin to improve their situation. Differentiation among African states, long evident, may well increase; a few countries will stay in the third world and do relatively better economically, while most will continue to descend. The countries likely to do better are those that are already more advantaged, partly because of better performance over the last 30 years: Kenya, Ivory Coast, Cameroon, Nigeria, Zimbabwe, and possibly Senegal. As noted above, however, even these cases are now fragile, largely for political reasons. A handful of countries in serious decline, such as Ghana, may be able to reverse course, but chances for this are even more tenuous.

A quiet debate is under way among Western officials and business executives about what to do with Africa. Should they provide some resources to all countries to create a sort of international social safety net for declining countries, which then become *de facto* wards of the world community, or should they "pick a few and work with them," as one Western official has put it? With the first option, it is not at all clear how effective such an international safety net would be, as the recent intervention in Somalia has shown. With the second option, resources would be concentrated in countries that have some good prospects for sustained economic performance, and possibly some strategic importance—Nigeria and Zimbabwe, for example. This is a delicate political task, however, and the recent performance of both of these countries might give one considerable pause.

The trajectory of individual countries will be affected by both internal and external factors. On the internal side, the degree of effective "stateness"—the technical and administrative capabilities to formulate and implement rational economic policies—will be crucial. On average, Africa has the lowest level of state capabilities of any region in the world. As the IMF and the World Bank have begun to realize, it takes a relatively capable state to implement their neo-orthodox economic reform consistently over time. To sustain a solid base in the international political economy, a country needs a high degree of "stateness," including the crucial ability to bargain with all types—private business groups, states, and the international financial institutions. Whether "stateness" will emerge or increase in many places, however, is questionable; certainly political dynamics will play a vital role in arriving at a productive balanced tension between state and market and between state and society. Some African leaders, such as Jerry Rawlings in Ghana, have begun to understand this.

Although it is largely a self-help world, external

factors are also very important. They revolve around two central issues. First is the degree of openness of the world political economy. Second is the degree to which both sides fulfill their part of the "implicit bargain" between international financial institutions and the major Western countries and Africans: if African countries successfully reform their economies with the help and direction of the IMF and the World Bank, then new international private bank lending and direct foreign investment will be made available.

John Ruggie has characterized the current international political economy as one of "embedded liberalism," in which the major Western countries intervene in their domestic economies to buffer the costs of adjusting to shifts in the world economy. A precarious openness, based on liberal economic norms, is maintained, despite increasing tensions. Others, such as Robert Gilpin, see the world moving toward an increasingly conflictual and closed international political economy, which might be characterized as "malign mercantilism." Africa's prospects would not be very bright under a shift from embedded liberalism to malign mercantilism by the major Western powers. Despite its marginalization and dependence, Africa desperately needs openness in the world economy; in fact, the neo-orthodox adjustment strategy is predicated on it. Whether some form of benign mercantilism would benefit Africa is also open to question.

Chances for fulfillment of the "implicit bargain" may not be much better, however. Because private actors in the world economy increasingly pass Africa by, Western countries and the international financial institutions will continue to play central roles. If African countries are to have any hope of making economic progress, these actors must help to fulfill this bargain, primarily through increased aid levels and substantial debt relief. Given the domestic politics of Western industrial democracies, debt relief might be the easier route to take, since it is more politically malleable. But major debt relief has not occurred, and

there are signs that aid levels may decline as these Western countries become increasingly preoccupied with domestic problems and those of more important regions.

Because resources are scarce, aid and debt relief should be given only to those actually undertaking difficult economic reforms and without being tied automatically to political change. The Jerry Rawlingses of Africa should be supported; nonreforming leaders should not. It is not clear, however, how many leaders like Rawlings actors outside Africa can actually support at the level required for sustained economic change. Since such reform is difficult, stop-and-go cycles are a fact of life, and external actors need to learn to adjust to them more effectively. The primary obstacle is how to cope with a huge debt and substantial arrears to the IMF and the World Bank without setting precedents with worldwide implications.

Finally, given the enormous obstacles confronting African countries, undue optimism and inflated expectations about what is possible in Africa can be dangerous. Slow, steady, consistent progress is preferable. Neither international nor African policymakers can unduly hasten, control, or speed up social processes such as institution and capacity building. Change is incremental, uneven, often contradictory, and dependent on the outcome of unpredictable socioeconomic and political struggles. Policymakers must try to bring about important changes, but they need to retain a sense of the historical complexity involved. Today's policy fads can easily become tomorrow's failed initiatives.

Africa really is caught between a rock and a hard place when it comes to the world economy and the international state system, and all will have to work extremely hard to alter this fact. Although pessimism about Africa is appropriate analytically, try they must, for not trying to keep Africa from falling off the map could have even worse consequences for its long-suffering peoples. ■

EIGHTY YEARS OF HISTORY IN THE MAKING

The first issue of *Current History* was devoted to what "men of letters" had to say about the outbreak of what would come to be known as the Great War. Bernard Shaw led off the magazine's inaugural volume with an ironic, biting, brutally frank appraisal of the causes of the war—and what was required to end the war now that fighting had begun.

Common Sense about the War

BY GEORGE BERNARD SHAW

The time has now come to pluck up courage and begin to talk and write soberly about the war. At first the mere horror of it stunned the more thoughtful of us; and even now only those who are not in actual contact with or bereaved relation to its heartbreaking wreckage can think sanely about it, or endure to hear others discuss it coolly. As to the thoughtless, well, not for a moment dare I suggest that for the first few weeks they were all scared out of their wits; for I know too well that the British civilian does not allow his perfect courage to be questioned; only experienced soldiers and foreigners are allowed the infirmity of fear. But they certainly were—shall I say a little upset? They felt in that solemn hour that England was lost if only one single traitor in their midst let slip the truth about anything in the universe. It was a perilous time for me. I do not hold my tongue easily; and my inborn dramatic faculty and professional habit as a playwright prevent me from taking a one-sided view even when the most probable result of taking a many-sided one is prompt lynching. Besides, until Home Rule emerges from its present suspended animation, I shall retain my Irish capacity for criticizing England with something of the detachment of a foreigner, and perhaps with a certain slightly malicious taste for taking the conceit out of her.

Having thus frankly confessed my bias, which you can allow for as a rifleman allows for the wind, I give my views for what they are worth. They will be of some use; because, however blinded I may be by prejudice or perversity, my prejudices in this matter are not those

which blind the British patriot, and therefore I am fairly sure to see some things that have not yet struck him. . .

[F]irst, I do not see this war as one which has welded governments and peoples into complete and sympathetic solidarity as against the common enemy. I see the people of England united in a fierce detestation and defiance of the views and acts of Prussian Junkerism. And I see the German people stirred to the depths by a similar antipathy to English Junkerism, and anger at the apparent treachery and duplicity of the attack made on them by us in their extremest peril from France and Russia. I see both nations duped, but alas! not quite unwillingly duped, by their Junkers and Militarists into wreaking on one another the wrath they should have spent in destroying Junkerism and Militarism in their own country. And I see the Junkers and Militarists of England and Germany jumping at the chance they have longed for in vain for many years of smashing one another and establishing their own oligarchy as the dominant military power in the world. No doubt the heroic remedy for this tragic misunderstanding is that both armies should shoot their officers and go home to gather in their harvests in the villages and make a revolution in the towns; and though this is not at present a practicable solution, it must be frankly mentioned, because it or something like it is always a possibility in a defeated conscript army if its commanders push it beyond human endurance when its eyes are opening to the fact that in murdering its neighbors it is biting off its nose to vex its face, besides riveting the intolerable yoke of Militarism and Junkerism more tightly than ever on its own neck. But there is no chance—or, as our Junkers would put it, no danger—of our soldiers yielding to such an ecstasy of common sense. They have enlisted voluntarily; they are not defeated nor likely to be; their communications are intact and their meals reasonably punctual; they are as

GEORGE BERNARD SHAW, the noted playwright and social critic, was awarded the Nobel Prize in 1925. This essay appeared in the December 1914 issue.

pugnacious as their officers; and in fighting Prussia they are fighting a more deliberate, conscious, tyrannical, personally insolent, and dangerous Militarism than their own. Still, even for a voluntary professional army, that possibility exists, just as for the civilian there is a limit beyond which taxation, bankruptcy, privation, terror, and inconvenience cannot be pushed without revolution or a social dissolution more ruinous than submission to conquest. I mention all this, not to make myself wantonly disagreeable, but because military persons, thinking naturally that there is nothing like leather, are now talking of this war as likely to become a permanent institution like the Chamber of Horrors at Madame Tussaud's, forgetting, I think, that the rate of consumption maintained by modern military operations is much greater relatively to the highest possible rate of production maintainable under the restrictions of war time than it has ever been before. . .

Now for the terms of peace. It is time to take that subject in hand; for Lord Kitchener's notion that we are going to settle down to years of war as we did a century ago is soldierly, but not sensible. It is, of course, physically possible for us to continue for 20 years digging trenches and shelling German troops and shoving German armies back when they are not shoving us, whilst old women pull turnips and tend goats in the fire zones across which soldiers run to shelter. . . Soldiers do not think of these things: "theirs not to reason why: theirs but to do and die"; but

sensible civilians have to. And even soldiers know that you cannot make ammunition as fast as you can burn it, nor produce men and horses as instantaneously as you can kill them by machinery. It would be well, indeed, if our papers, instead of writing of ten-inch shells, would speak of £1,000 shells, and regimental bands occasionally finish the National Anthem. . . with the old strain, "That's the way the money goes: Pop goes the Ten Inch."

[W]e must remember that if this war does not make an end of war in the west, our allies of today may be our enemies of tomorrow, as they are of yesterday, and our enemies of today our allies of tomorrow as they are of yesterday; so that if we aim merely at a fresh balance of military power, we are as likely as not to negotiate our own destruction. We must use the war to give the *coup de grace* to medieval diplomacy, medieval autocracy, and anarchic export of capital, and make its conclusion convince the world that Democracy is invincible, and Militarism a rusty sword that breaks in the hand. We must free our soldiers, and give them homes worth fighting for. And we must, as the old phrase goes, discard the filthy rags of our righteousness, and fight like men with everything, even a good name, to win, inspiring and encouraging ourselves with definite noble purposes (abstract nobility butters no parsnips) to face whatever may be the price of proving that war cannot conquer us, and that he who dares not appeal to our conscience has nothing to hope from our terrors. . .

In November 1927, *Current History* published a series of articles on the tenth anniversary of the Russian Revolution. The author of the following essay, *New York Times* columnist Walter Duranty, served as one of the foremost observers of the revolution's early years.

Ten Years' Struggle to Convert Russia to Communism

BY WALTER DURANTY

Surely no great national upheaval, not even the French Revolution, was ever so misunderstood and misrepresented by its contemporaries [as the Russian Revolution.] Precisely on account of its inherent contradictions, magnified and distorted as they were from the outset by "war neurosis" and its attendant propaganda, by human pity for those on

whom their fathers' sins were visited so bloodily, and by the enmity of the two great forces upon which modern civilization rests, Religion, the sanctity of God, and Capitalism, the right of Property. Moreover, to the rest of the world Russia, a half-medieval, half-Asiatic country under its veneer of foreign culture, had always lived behind a veil of mystery, terror, and romance. Here, quite abruptly, stands the first contradiction—an immensely powerful, luxurious and "foreignized" ruling class, and an amorphous hundred million or more of slaves kept barely above starvation point in ignorance and squalor. Does not that contrast help to

WALTER DURANTY was the Moscow correspondent of The New York Times from 1922 to 1941; he won the Pulitzer prize for his reporting in 1932.

explain the downfall of those rulers when defeat in war had weakened them to exhaustion? If the rest of the world had seen behind the veil it might have guessed the meaning of a second contradiction, more profound this time, because an emanation of the Russian mind itself—that this vast country with the territory and natural resources of the United States and Canada combined, should remain almost wholly undeveloped, yet ever striving toward further expansion, literally in terms of land, morally in terms of ideas. Is it not some reaction against centuries of servitude under alien or semi-alien rulers, some egoism resurgent against the complex of inferiority, that account alike for the ceaseless thrustings toward Afghanistan, China, Persia or Constantinople, the Pan-Slav movement of the decade before the War, and the Communist International of today?

So it was not unfitting that the Soviet Rule, which in November celebrates the tenth anniversary of its rise to power over Russia more absolute and dictatorial—despite its slogan of universal freedom and equality—than that of the Czars it succeeded, should have begun with the greatest and most amazing contradiction of all. They called it the “People’s Revolution”—“all power to the masses,” “land for the peasants,” “food for the workers,” and “peace for the soldiers”—and lo! it was a Communist Revolution, launched, directed and controlled with incredible daring and dexterity by a small group of men profoundly imbued with an

untried theory, whose originator had proclaimed that it applied only to a highly developed industrial state. . .

[The] Bolshevik revolution in Russia was and is an anomaly, and. . . one is not far wrong in suggesting that the measure of Soviet Russia’s success is in direct ratio to its divergence from the original strict principles of Marxian communism, I am aware that during the recent controversy within the Communist Party of Russia both the Administration and the Opposition leaders have declared repeatedly that the “deviations” from pure Marxist doctrine, of which each side accuses the other, would not have been allowed to take place had Lenin lived. . . I venture to maintain precisely the opposite viewpoint—that Lenin was first to recognize (and even in the case of the New Economic Policy to admit) the necessity of redressing the balance between a comparatively fortuitous Bolshevik revolution and the enormous mass upheaval which preceded it and made it possible. Communists, of course, with their dogma of revolution inevitability in certain circumstances, will object to the word “fortuitous.” But I am not a Communist, nor am I writing for Communists, and I believe that the sole reason why the Bolsheviks were able to seize and retain power in 1917 was that they were the most courageous, efficient, disciplined and best-led group in the chaos that then was Russia. But they had to count later with the rest of Russia, and adjust themselves to the rest of Russia or blow lamentably up. . .

For many years the Progressive historian Charles Beard was among a group of eminent academics who recounted monthly the most important events throughout the world for the readers of *Current History* (their articles were the foundation upon which the *Month in Review* evolved). The following is a sample of Beard’s assessment of the United States in the February 1935 issue.

Our Foreign and Domestic Policy

BY CHARLES A. BEARD

In the long perspective of history the central event of the month in the United States was not the explosion of any verbal bombs sent up into the political sky by pretended spokesmen of business, agriculture, labor or politics. Viewed superficially, it fell not even within the sphere of domestic affairs, but rather in that nebulous realm called international. Yet in fact the

event forecast revolutionary changes in the structure and functioning of powerful domestic interests—if by revolutionary we mean a radical break with the past.

This was the announcement on Dec. 15 that the State Department was maturing a plan for materially modifying the American doctrine of neutral commercial rights in preparation for the next war in Europe or in the Orient. To Americans harassed by the depression in business, by poverty and by unemployment, the proposal seemed remote from earthly affairs, but its significance was not lost on students of American diplomacy, war, foreign policy and naval preparations.

CHARLES A. BEARD, a professor of history at Columbia University, was the author of the ground-breaking *An Economic Interpretation of the Constitution*.

Since the days of Alexander Hamilton, naval bureaucrats, their publicists on sea power, naval-supply interests and exporting capitalists have insisted that the sea lanes must be kept open for American goods in time of war as in time of peace. The right of Americans to sell goods to neutrals and belligerents (excepting that elusive class known as contraband goods), to travel on ships and pursue their private advantages everywhere has long been held up as "a sacred right". . .

Although critics had repeatedly pointed out the quixotic character of the idea that the American Navy can keep sea lanes open and protect American merchants and capitalists everywhere, all the time, against any power or combination of powers, they had made no headway against the declarations, assertions, claims and manipulations of the main parties of interest.

Then suddenly, without previous warning, the State Department declared that it was preparing for the President's consideration a program of legislation recognizing the dangerous and fictitious character of so-called neutral rights in war time and placing them under executive control. If reticent about details, the department was clear as to principles. Congress should give power to the President to stop loans to belligerents, put an embargo on munitions export, exclude belligerents from American waters and take other steps in keeping the United States out of economic entanglements. Such principles applied would make it impossible for American merchants, capitalists, farmers and bankers to exploit foreign wars, involve themselves to

the extent of untold billions and then call upon the Government of the United States to enter the war "for the defense of American [their] rights". . .

The [announcement gained even more importance with] the formal action of Japan in denouncing the naval pact of 1922, with notice of termination on Dec. 31, 1936. Difficulties were augmented by the Japanese proposal for drastic cuts in all naval outlays on the principle of security for each country within its zone of defense. Since this scheme really meant a free hand for Japan in the Western Pacific and on the Asiatic mainland, it raised again the supreme issue of American domestic politics: Do "recovery" and "prosperity" actually depend upon the promotion of American commercial interests in the Orient and elsewhere by all the engines of State—diplomacy, armed pressure and ultimately war? Thus matters which had seemed to be "foreign" in nature were demonstrated to be first of all "domestic" in nature and to involve the whole policy and program of the New Deal.

In parallel columns on Dec. 31 *The Washington Post* revealed the state of mind existing in the Roosevelt administration. In one column the administration was represented as holding that "a naval race must be avoided after 1936 and that meanwhile jingoism must be suppressed." In an adjoining column came the statement: "Increases for national defense in both Navy and Army appropriations have been approved by the President and will appear in the budget which has just been completed." On the dénouement history waits. . .

The London "blitz"—the sustained bombing of the British capital by the Nazi air force during 1940–1941—was brought to life for many Americans by the broadcasts of radio journalists like Edward Murrow and Eric Severeid; Severeid, who would later become a television journalist and commentator, here writes on life on the ground during the blitz.

Worm's-Eye View

BY ERIC SEVEREID

The average person, I find, as he goes through raid after raid, becomes less and less frightened, but more and more prudent. My first raid (though no bombs were dropped) was experienced in Paris, a few days after war was declared. I was sleeping in the Hotel Continental, when the sirens went off. An Army officer

ran down the corridor, shouting "Les avions, les avions!" I arrived in the brightly lighted, luxurious shelter at the head of the flight, with one shoe off and one shoe on. A wealthy German refugee was on my heels, begging me to show him how to fasten his gas mask. I said, "Brother, I haven't time. I'm trying to save my own life!" A hundred persons, including a couple of cabinet ministers, sat blinking through their gas mask lenses at one another for hours, feeling more and more foolish as the peaceful night wore on.

Psychologically speaking, it was a long, hard row to hoe from that to the time when, in London, I could lie

ERIC SEVEREID was night editor for the *United Press* in Paris. After the French government's evacuation, he accompanied it to Vichy and then transferred to the CBS radio network in London. This article appeared in the December 10, 1940, issue.

peacefully in my bed, glance at the bright flame of a fire bomb across the street, say to myself, "The firemen will take care of it," and roll over again to sleep.

During the first few raids, you feel quite certain that each bomber pilot has you specifically in his mind. Then, as the weeks go by, you acquire an equally firm conviction that your own immortal self cannot possibly be damaged, that the men and women in danger are all those other people—members of the "public." This idea is removed forever the first time your own building is squarely hit, and the plaster showers down upon your bed. . .

I think the knights of old wore metal armor because it made them feel tougher, not because of its real protection. A tin hat in London today is a vital defense against shrapnel, and a real prop to one's morale. You may dress up to go out to dinner, but you wear your tin hat just the same. When you're caught in the streets with a felt hat on, you feel uncomfortable, to say the least, and if you're entirely bareheaded, your scalp prickles and you have a sensation of being naked. To be

caught by a raid when you're in the bathtub is completely awful. Your flesh looks so soft and unresisting, and you have the immediate vision of being pulled from the ruins unclothed. So you're apt to find yourself wrapping a towel around your middle as a gesture to the Luftwaffe that you're ready for the worst. . .

Generally, the people of London behave remarkably well. You have not been misinformed on that score. If the English have not fled the bombs, as the French did, it is not only because they have no refuge on their little island. It is their pride, their sometimes insufferable British pride, which is the basis of their strength. To most of them, Hitler is still that housepainter from Austria. They turn each British defeat into victory by an automatic process of mind. Our secretary in London is a perfect example of what I mean.

She is a Scottish girl who regards the Germans as so many deformed men from Mars. She will walk past bombed ruins in London, and if three stones remain one upon the other, she will scoff and say, "Damn bad bombing!"

One year after Senator Joseph McCarthy had been censured by the Senate for his vicious campaign to root out "subversives" in the United States government, a special issue of the magazine was devoted to the question of what were the limits to dissent in a country allegedly imperiled by the "Red Menace." One of the nation's most respected historians, Henry Steele Commager, defended the right to disagree.

The Right of Dissent

BY HENRY STEELE COMMAGER

When we speak of freedom, and of security, we are—needless to say—speaking not of absolutes but of relatives. It is, however, more commonly observed that there is no absolute freedom than that there is no absolute security, and we are still, many of us, bemused by the notion that we can somehow, by taking proper precautions, guarantee ourselves against the consequences of error, wickedness, stupidity and mischance. There are no guarantees against these things, but if history and experience teach us anything they teach that of all the securities which we attempt to erect the legal, the mechanical and the

material are the weakest, and the historical, the intellectual, and the moral are the strongest. . .

It is the fundamental error of security-minded zealots that they put their trust in such things as secrecy, or weapons or numbers. But none of these things can be relied on unless the spirit of the people is stout. The prodigious contest between Nazi Germany and Britain should have taught us that it is the free mind and the free spirit that triumphs over all the weapons of secrecy, of hatred and of fear.

Now when dealing with matters of freedom and security it is well to get away from windy abstractions as quickly as possible, and get down to cases. It is well to get away from generalizations and get down to consequences. For it is one of the crucial weaknesses of our current security program that it does concern itself with theories and abstractions, with ideas and associations, rather than with conduct. And it is, correspondingly, one of the weaknesses of the liberal position that

HENRY STEELE COMMAGER, the noted intellectual historian, was a professor of history at Columbia University and the co-author of the widely acclaimed *The Growth of the American Republic* (New York: Oxford University Press, several editions). This article appeared in October 1955.

it, in turn, tends to fall back upon natural rights, legal rights, principles and theories, rather than concern itself with conduct and consequences.

There is nothing wrong with the argument from rights and principles except that everyone appears to interpret them differently. It was observed half a century ago that what is a stone wall to a layman, to a

corporation lawyer is a triumphant arch. Much the same might be said of civil rights and freedoms. To the layman the Bill of Rights seems to be a stone wall against misuse of power. But in the hands of a congressional committee, or often enough of a judge, it turns out to be so full of exceptions and qualifications that it might as well be a whole series of arches. . .

The magazine extensively covered the war in Vietnam, and a host of significant authors offered their views in these pages. One of the earliest observers of the war, correspondent Peter Arnett, also was one of the first to see the "light at the end of the tunnel."

The National Liberation Front

BY PETER ARNETT

The 1968 Tet offensive that smashed through South Vietnam's cities and towns may well have been the Dien Bien Phu of the Second Indochina War. This blunt comparison is valid and important in that it recognizes that the climactic battle of the Vietnamese War has probably already been fought, that it was an irrevocable setback to Western hopes, and that it persuaded the United States dramatically to alter its goals in Indochina.

Only when viewed from this perspective do the current policies of the National Front for the Liberation of South Vietnam (N.L.F.), or Vietcong (as it is generally known), become truly significant. The war is regarded as incidental by the men behind the N.L.F., as a necessary diversion from the main struggle to dominate the broad mass of the population. The United States saw the war as the centerpiece of the struggle and attempted to win it, forcing the Vietcong to suspend political operations in 1966 to meet the challenge. Extensive documentation indicates that the Vietcong was less interested in military victory than in outlasting the United States challenge. An undecided contest could only benefit the Vietcong and discredit the United States.

The Tet attacks on the hitherto inviolate population

centers of South Vietnam were logical tactics for the Vietcong to use to humble United States policy-makers. Logically, they followed the pattern of the encirclement and over-running of the fortress of Dien Bien Phu 15 years before, to demonstrate to the French the uselessness of pursuing that Indochinese adventure. The climactic battles of both wars were as different as the differences in the wars themselves. . .

Whereas the Vietminh fought their decisive battle against a remote French base in their own zone of control, the Vietcong carried the fight to the heart of the city-strongholds, enlisting villagers ostensibly loyal to the government as guides, couriers and porters. Both battles dramatically illustrated to the West that years of punishing warfare had not substantially reduced the enemy's resourcefulness and stamina. French Premier Pierre Mendes-France liquidated French interests at once in 1954, ignoring the appeals of his hawkish generals who argued that they could continue to fight. United States President Lyndon Baines Johnson similarly ignored his hawks in 1968 and set the stage for a United States withdrawal. . .

What the bloody Tet gamble achieved for the Vietcong was not the right to govern, or even the immediate recognition of its role as a legitimate political force within South Vietnam. By crystallizing American distaste for the war, the Vietcong virtually guaranteed the departure of the United States from Vietnam, and once it had left it would not soon return. The finale might still be bloody but it would be undertaken by the Vietnamese themselves. . .

PETER ARNETT, now a correspondent for CNN, began his newspaper career in his native New Zealand, then worked on papers in Sydney, Bangkok, and Vientiane, Laos. He became Saigon correspondent for the Associated Press in 1963. This article appeared in February 1969.

While foreign affairs has been the mainstay of the magazine's coverage, domestic issues have also been addressed. Nearly 20 years after they first appeared, the arguments advanced by Senator Edward Kennedy on the need for gun control remain topical—as the recent passage of the Brady bill requiring a waiting period for handgun purchases shows.

The Need for Gun Control Legislation

BY EDWARD M. KENNEDY

The issues never change. The arguments never vary. The statistics never recede. In 1963, handgun murders totaled 4,200. Eleven years later, in 1974, handguns were used to murder 11,000 Americans. The tragic toll of handgun suicides and accidental handgun deaths pushes the annual figures well beyond reasonable limits for a society that claims to respect life and personal security.

Gun manufacturers produce more guns each year, and American gun deaths increase right along with the output of firearms. Advocates for stronger controls are understandably alarmed by production figures showing that the annual output of handguns increased from 568,000 in 1968 to over 2.5 million in 1974.

Many experts insist that a gun, and particularly a handgun, is such a viciously lethal weapon that no citizen deserves to wield the awesome power of a gun. Our complex society requires a rethinking of the proper role of firearms in modern America. Our forefathers used firearms as an internal part of their struggle for survival. But today firearms are not appropriate for daily life in the United States.

First, can laws limit the supply of guns enough to reduce violent crime?

Of course, such laws, properly enforced, can reduce the availability of handguns. In 1968, when importers anticipated the enactment of a new gun law, about 1.2 million handguns were rushed into the American market. In 1969, pistol and revolver imports fell to less than 350,000 and have not risen substantially above that total since then.

Today, nearly three million new handguns enter the

American market every year because handgun parts are still legally imported and because American manufacturers are still authorized to produce them. . .

Opponents of handgun control insist that it is impossible to prevent a criminal from obtaining a handgun. But if a criminal has to steal a gun before he can use a gun, he will use a gun much less frequently.

An effectively enforced ban on the output of these deadly devices is the most direct way to reduce the deaths and injuries caused by guns.

Second, it is claimed that the second amendment to the constitution protects the citizen's right to bear arms. Anyone who believes that "the right to bear arms" is guaranteed in the constitution has conveniently ignored the language of the second amendment. . .

The United States Supreme Court has repeatedly said that this amendment has nothing to do with the right to personal ownership of guns but only with the right of a state to establish a militia.

In perspective, the purpose of the second amendment emerges clearly. Debates in the first and second Congresses were naturally affected by the recently won independence of the new government. And in Massachusetts it was bitterly recalled that the British Crown had quartered its troops but forbade the organization of a colonial militia. Congressional debates of early Congresses support the view that the second amendment was designed to protect and preserve the state militias. No mention was made of any individual's "right" to possess, carry, or use arms, and there is no indication of any concern with the need to do so. The new government was far more interested in maintaining state militias to defend the hard-won liberty. That fledgling government feared the establishment of a federal standing army as a threat to the basic authority of the several states. . .

EDWARD M. KENNEDY has been the Democratic senator from Massachusetts since 1963. This article appeared in July/August 1976.

As our seventh decade came to an end, the Soviet Union hobbled toward its seventieth anniversary—which would prove one of its last. Marshall Goldman surveyed the scope of the reforms Gorbachev had introduced in an attempt to stave off the inevitable in the October 1989 issue.

The Future of Soviet Economic Reform

BY MARSHALL I. GOLDMAN

There is a widespread agreement that economic reform, or perestroika, is at the core of President Mikhail Gorbachev's program to remake the Soviet Union. You need not be an economic determinist to argue that almost everything Gorbachev has proposed affecting the Soviet Union's foreign, military, sociological and domestic political policies stems in one way or another from his realization that such changes are essential if his perestroika is to succeed. That does not guarantee, of course, that if such changes are implemented, perestroika will of necessity be realized; it does mean, however, that Gorbachev feels he must revolutionize almost all aspects of Soviet life to provide the proper climate for the economic changes he wants.

If there is no economic reform, the Soviet Union will not only lose its place as a world political and military power but is likely to suffer serious public unrest as well. Unfortunately, Gorbachev does not have much time. He has openly acknowledged, for example, that "by the beginning of the 1980s. . . the country found itself in a state of severe crisis which has embraced all spheres of life." [emphasis added]

Although Gorbachev's perceptions of how serious his problems are, particularly in the economy, have deepened over time, it is worth noting that he began to talk about the need for some type of economic reform within the first few weeks of becoming the party's General Secretary. While Gorbachev was not the first

Soviet leader to attempt to reform the Soviet economy, he was the first leader since Joseph Stalin to attach such an important priority to that effort. As a consequence, Gorbachev had relatively little precedent to follow. Reform turned out to be a "trial and error" process; unfortunately, the number of errors often seemed to match the number of trials.

Equally important, in many cases the errors were not easily rectified. Many of them had the effect of undermining subsequent reform efforts. This has led to a further deterioration in the Soviet economy. Gorbachev himself has acknowledged what he has wrought. As he noted in a speech to the Congress of People's Deputies in May, 1989, "There have been great errors and major miscalculations. . . they need not have been. I am as concerned as you are." Then, in a revealing aside, he added, "I do not think you suspect me of wanting things to be worse." . . .

Given his political adroitness and his determination to succeed, Gorbachev may yet manage to revamp and revitalize the Soviet economic system. It is critical that he succeed, for it is in the economic reform field that Gorbachev will ultimately be judged. While most of the Soviet people share at least vicariously when Gorbachev is accorded a warm reception in his international visits, pomp and popularity overseas are not enough. Such visits tend to obscure the seriousness of the continually worsening economic situation at home. And the fact is that Gorbachev is directly responsible for some of that deterioration. Regardless of his popularity outside the country, if Gorbachev does not soon find a solution to these crises, he may not be around to continue his efforts. ■

MARSHALL GOLDMAN, a longtime observer of the former Soviet Union, is a contributing editor and the Kathryn W. Davis Professor of Russian Economics at Wellesley College.

THE MONTH IN REVIEW

NOVEMBER 1993

INTERNATIONAL

Asia-Pacific Economic Cooperation (APEC) Conference

Nov. 18—US President Bill Clinton hosts a summit meeting of the 15-member organization in Seattle, Washington; in the 1st day of talks members agree to admit Chile, Mexico, and Papua New Guinea but place a three-year moratorium on final admission until APEC can better define its mission.

European Community (EC)

Nov. 1—The Maastricht Treaty on European monetary and closer political union goes into effect.

Middle East Peace Conference

Nov. 17—Palestinian officials in Cairo report that Israel has agreed to withdraw its troops completely from Gaza and the West Bank city of Jericho; Palestinian and Israeli forces will jointly guard some of the entrances to Israeli settlements in the 2 occupied territories.

Nov. 23—Negotiators announce that Israel will release about 10,000 Palestinian political prisoners after the Israeli-Palestinian peace plan takes effect on December 13.

North American Free Trade Agreement (NAFTA)

(See *Mexico*; *US*)

Palestine Liberation Organization (PLO)

(See *Israel*; *Lebanon*)

United Nations (UN)

(See also *Angola*; *Bosnia*; *Haiti*; *Iraq*; *Somalia*)

Nov. 2—US Ambassador to the UN Madeleine K. Albright announces the US will refuse to grant amnesty to those accused of war crimes in the former Yugoslavia and will ask for sanctions against countries that shelter suspects.

Nov. 11—The Security Council votes, 11 to 4, to tighten sanctions against Libya. The measures include freezing Libyan foreign assets, canceling commercial air links with Libya, and forbidding some sales of oil equipment. Libya has defied a Security Council order to surrender two suspects in the 1988 bombing of a Pan American Airways jet over Lockerbie, Scotland, in which 270 people died.

Nov. 17—A UN war crimes tribunal opens in The Hague, Netherlands; 11 judges will investigate alleged atrocities in the former Yugoslavia.

Nov. 18—The Security Council extends the mandate of the peacekeeping mission in Somalia another 6 months.

ALGERIA

Nov. 2—In Djebel Bouzegza, east of Algiers, government forces kill 17 suspected Islamic militants in a crackdown.

Nov. 4—Islamic militants reportedly announce that all foreigners have 1 month to leave Algeria or face the possibility of death.

Nov. 17—A special military court in Algiers, the capital, sentences 10 Islamic militants to death for the murder of 6 police officers in the city in February 1992; in addition, 3 other defendants in the case are sentenced to life in prison.

Nov. 30—Four Islamic militants are killed in a fight with po-

lice in an abandoned mine used for arms storage near Constantine.

ANGOLA

Nov. 15—In Lusaka, Zambia, UN-sponsored peace talks between the government and the guerrilla National Union for the Total Independence of Angola (UNITA) begin; UNITA announced a unilateral cease-fire in September.

ARGENTINA

Nov. 15—President Carlos Saúl Menem calls off the national plebiscite that was to have decided whether or not the constitution would be changed to allow the president 2 4-year terms instead of the present 1 6-year term.

BELGIUM

Nov. 26—A general strike, the country's 1st since 1936, brings industry and transportation to a standstill; Christian Democrat and socialist unions are protesting government plans to institute a 3-year wage freeze, cutbacks in social security, and higher indirect taxes.

BOSNIA AND HERZEGOVINA

(See also *International*, *UN*; *US*; *Yugoslavia*)

Nov. 3—Muslim government forces storm and capture Vares, a town 20 miles north of Sarajevo; about 10,000 Croats flee the town.

Nov. 6—Bosnian troops raid the headquarters of the Croatian Defense Council in Sarajevo and disband the militia; the army says the crackdown is part of its attempt to rid the city of gangsters.

Nov. 8—In Sarajevo, 2 aides to the archbishop of Sarajevo are abducted at gunpoint from UN armored vehicles; Serb gunmen said the two aides were "war criminals."

Some 300 Serbs are evacuated from Sarajevo to Belgrade; this is the first large-scale evacuation since last summer.

Nov. 9—Nine children are killed in a Serb mortar attack on a Sarajevo school.

Nov. 27—Serb forces allow UN relief convoys to enter Sarajevo but block similar transports trying to reach Muslims in central Bosnia.

Nov. 29—In Geneva, Serb, Croat, and Muslim leaders agree to begin UN-sponsored negotiations on the distribution of territory among the 3 groups. At the meeting the leaders sign a pact that will allow UN relief forces safe passage throughout the contested areas.

BURUNDI

Nov. 18—Some 10,000 people have died in army-assisted ethnic violence since an attempted coup October 21, *The New York Times* reports; Melchior Ndadaye, the country's 1st Hutu president, and several cabinet ministers were assassinated by Tutsi army officers in the aborted takeover; 800,000 Burundians have fled to neighboring countries, and 200,000 are internal refugees.

CHILE

(See *International*, *APEC*)

CHINA

(See also *Russia; Taiwan; US*)

Nov. 14—Lu Yonghua, deputy director of the State Commission for Economic Restructuring, announces that beginning next year 100 large state-owned factories will be run as private corporations whose managers will have sole responsibility for financial decisions and results; if the program is successful, all 11,000 medium-size and large state-owned firms in China will be similarly restructured in 3 to 5 years.

CROATIA

(See *International, UN; Yugoslavia*)

EGYPT

Nov. 25—Al-Jihad, an Islamic militant group, announces that it is responsible for setting off a car bomb today that narrowly missed a car carrying Prime Minister Atef Seki.

Nov. 26—Police arrest about 190 suspected Muslim militants in a sweep following yesterday's bombing.

FRANCE

Nov. 21—In Paris, anti-Turkish demonstrations by ethnic Kurds continue for a 2d day after more than 100 Kurds with alleged ties to the separatist Kurdistan Worker's party were rounded up in a nationwide sweep.

GEORGIA

Nov. 1—Government officials report that Georgian troops recaptured the town of Senaki today.

Nov. 7—Eduard Shevardnadze, the Georgian leader, enters the town of Zugdidi, the former stronghold of rebels supporting former President Zviad Gamsakhurdia; he says the rebellion is "essentially" over.

Nov. 10—The Defense Ministry reports Abkhazian separatists ambushed and killed 4 police officers just outside Abkhazia yesterday; separatists gained control of the northwestern coastal region in September.

Nov. 18—Shevardnadze extends for an indefinite period the state of emergency imposed in September because of the rebellion in Abkhazia.

GERMANY

Nov. 12—Klaus Kilimann, the mayor of Rostock, resigns after 14 months of criticism of his administration's failure to prevent anti-foreigner rioting in the city in August 1992 and of the police's handling of the violence.

Nov. 21—In Bonn, more than 20,000 Kurds protest raids on Kurdish homes and cultural centers ordered by the German government after November 4 attacks by ethnic Kurds on Turkish businesses and consulates in 20 European countries.

Nov. 26—After raids today on the offices of the Kurdistan Worker's party and those of 35 associated organizations in 11 states, the government bans the group.

HAITI

Nov. 6—UN special envoy Dante Caputo leaves Haiti after he is unable to arrange negotiations between military ruler General Raul Cédras and Prime Minister Robert Malval.

Nov. 25—Cédras meets with Malval in 1 of a series of negotiations the prime minister has arranged with various Haitian leaders to work toward a resolution of the current standoff between the military and civilian governments.

HONDURAS

Nov. 29—Final results from yesterday's presidential election show that Carlos Roberto Reina of the Liberal party defeated Oswaldo Ramos Soto of the governing National party; Reina replaces outgoing president Rafael Leonardo Callejas.

INDIA

Nov. 27—At least 11 militants are killed and 6 government troops wounded when the military seals off the city of Sopor in the Kashmir Valley in a crackdown on separatists; militants set the death toll as high as 200; Sopor had been largely under the militants' control since January.

IRAN

(See also *US*)

Nov. 26—Ayatollah Mohammed Yazdi declares United States President Bill Clinton "the most hated person in the Muslim world" for having met with novelist Salman Rushdie on November 24, *The New York Times* reports. In 1989 Ayatollah Ruhollah Khomeini called for Rushdie's death, saying he had blasphemed Allah in his book *The Satanic Verses*.

IRAQ

Nov. 15—The government frees Kenneth Beaty, an American oil industry worker held since April for illegally entering Iraq from Kuwait.

Nov. 23—The UN reports that government forces have drained about 40 percent of the country's marshlands in southern Iraq as part of an ongoing attempt to destroy the Shiite Muslim guerrilla movement in the region.

Nov. 26—The government announces it will allow the UN to send in monitors to ensure that Iraq no longer produces nuclear, chemical, biological, or conventional weapons, and asks the UN to lift the ban on Iraqi oil sales that was imposed after Iraq failed to comply with the 1991 Persian Gulf War cease-fire conditions.

ISRAEL

(See also *International, Middle East Peace Conference; Lebanon; US*)

Nov. 7—Palestinians attack Haim Druckman, a prominent rabbi who favors Jewish settlement in the occupied territories, wounding him and killing his driver. The militant Islamic group Hamas and the Democratic Front for the Liberation of Palestine, a PLO splinter group, both claim responsibility for the attack.

Nov. 9—In the Israeli-occupied Gaza Strip, Palestinian militants kill an Israeli Arab.

Nov. 12—The Israeli army announces that 5 suspects in the murder of a Jewish settler 2 weeks ago are members of PLO chairman Yasir Arafat's Fatah faction.

Nov. 13—Responding to US and Israeli demands, Arafat condemns the killing of the Jewish settler.

Nov. 17—In Gaza, a Palestinian stabs an Israeli soldier to death.

Nov. 22—Aharon Yariv, a former Israeli intelligence chief, admits that the Israeli secret service assassinated key members of the Black September Palestinian guerrilla group in 1972 and 1973; he says the killings were in retaliation for the killing of 11 Israeli athletes by Black September guerrillas at the 1972 Olympics in Munich.

Nov. 25—Israeli soldiers shoot and wound 37 Palestinians protesting the killing of Imad Akel, a commander of Hamas who was killed yesterday.

Nov. 30—Israeli soldiers kill 1 Palestinian and wound 70 other stone-throwing Palestinian youths in Gaza.

ITALY

Nov. 12—In Sicily, magistrates announce that they issued warrants yesterday for the arrest of 18 Mafia insiders, including Salvatore Riina, the "boss of all bosses," in the 1992 murder in Palermo of Judge Giovanni Falcone, Italy's leading Mafia prosecutor; 10 of the suspects were already in prison, 5 have been taken into custody, and 3 are at large.

JAPAN

Nov. 18—The lower house of parliament, voting 270 to 226, approves a 4-bill electoral reform package on which Prime Minister Morihiro Hosokawa has staked his political career; measures include the abolition of multi-seat election districts, the redrawing of district lines and reapportionment of seats for the lower house, and major changes in campaign financing rules.

JORDAN

Nov. 8—In the first multiparty elections since 1956, the parties of an Islamic fundamentalist bloc win 18 of 80 seats in the lower house of parliament: the Islamic Action Front obtains 16 seats with 2 independent Muslim militants also winning seats; the bloc ran on a platform that opposed any peace talks with Israel.

KAZAKHSTAN

Nov. 15—Kazakhstan introduces a national currency, officially dropping the ruble; 13 of the 15 republics of the former Soviet Union now have their own currencies.

KOREA, SOUTH

Nov. 1—In district court in Seoul, Chung Ju Yung, the founder and honorary chairman of Hyundai, one of the country's largest industrial groups, is sentenced to 3 years in prison for diverting \$62.8 million from Hyundai to fund his 1992 opposition campaign for the South Korean presidency; the judge has agreed not to jail Chung, who is 78, because of his age. Some 3,000 government officials and businesspeople have been dismissed or reprimanded in an anticorruption drive mounted by President Kim Young Sam.

LEBANON

Nov. 15—In Sidon, Lieutenant Colonel Moueen Shabaita, a senior aide to Palestine Liberation Organization chairman Yasir Arafat, is killed by 2 gunmen; Shabaita is the 5th PLO official murdered since the signing of the Israeli-Palestinian peace accord September 13.

Nov. 16—Guerrillas launch an attack in Israel's self-declared "security zone" in southern Lebanon, wounding 2 members of the Lebanese militia allied with Israel; 1 guerrilla is killed. The Iranian-backed Party of God, which opposes the Middle East peace talks, claims responsibility for the attack.

LIBYA

(See also *International*, UN)

Nov. 9—Responding to Thailand's efforts to investigate an American charge that Libya is using Thai citizens to construct a chemical weapons plant, Colonel Muammar Qaddafi orders Libyan businesses to expel all Thai workers.

MEXICO

(See also *International*, APEC)

Nov. 23—The Senate approves the North American Free Trade Agreement by a vote of 56 to 2.

Nov. 28—The Institutional Revolutionary party announces that its candidate to succeed President Carlos Salinas de Gortari in elections to be held in 1994 will be current Secretary of Social Development Luis Donaldo Colosio Murrieta.

NEW ZEALAND

Nov. 6—Results from today's parliamentary elections show that the governing National party lost 31 seats to the Labour party; it now has only a 3-seat majority in parliament.

NIGERIA

Nov. 17—State television announces the ouster of President Ernest Shonekan by General Sani Abacha, the defense minister who helped organize the 1985 coup that brought General Ibrahim Babangida to power; Babangida annulled the results of a presidential election in June and appointed Shonekan interim president under a nominally civilian government when he stepped down in August.

A nationwide general strike that began this week over the government's raising of gasoline prices by 600% continues.

Nov. 18—In a broadcast on Radio Nigeria, Abacha says he is abolishing all state and local governments and the national legislature and replacing civilian officials with military commanders; he also announces a ban on political parties and all political activity, and orders strikers to return to work; he says he is acting to stem the country's economic problems and widespread civil unrest.

Nov. 23—Abacha names an 11-member Provisional Ruling Council mainly composed of generals and police officials.

PAKISTAN

Nov. 13—The 2 chambers of parliament and the country's 4 provincial legislatures elect Farooq Leghari president; he was Prime Minister Benazir Bhutto's choice for the post.

PAPUA NEW GUINEA

(See *International*, APEC)

RUSSIA

Nov. 3—At a news conference, Defense Minister Pavel Grachev confirms that a 23-page document adopted yesterday as the new guidelines for the armed forces does not include a version of the 1982 Soviet pledge renouncing 1st use of nuclear weapons. The new doctrine, which views small regional conflicts as the main security danger for Russia, advocates concentrating funds on rapid-deployment forces; the regular army, which had a peak troop strength of 4.2 million, will gradually be reduced to 1.2 million.

Nov. 9—In Beijing, Defense Minister Grachev signs a 5-year military cooperation agreement with China.

Nov. 10—The national electoral commission approves 13 political parties for competition in next month's parliamentary elections, and disqualifies 8, including the Russian National Union, whose members formed the nationalist and Communist core of the opposition in the dissolved parliament.

Updating casualty figures for the uprising in the capital October 3–4, the Main Medical Administration of Moscow has determined that 144 people were killed and 878 wounded, *The New York Times* reports.

SOMALIA

(See also *Intl*, UN)

Nov. 8—In 2 separate incidents in Mogadishu, the capital, UN peacekeepers come under fire from Somali gunmen for the 4th straight day, further weakening a cease-fire declared October 9 by factional leader Mohammed Farah Aidid; several

Somalis are wounded and at least 1 is killed when the troops return fire.

Nov. 29—Representatives from 12 of Somalia's warring factions begin a new round of peace talks in Addis Ababa, Ethiopia; Aidid has announced he will attend only if the UN releases 8 of his senior aides whom it is holding.

SOUTH AFRICA

Nov. 18—Ending 7 years of negotiations and 2 years of intense talks, leaders of 20 of the 21 groups guiding South Africa's transition to nonracial democracy approve an interim constitution at a gathering in suburban Johannesburg; the constitution creates a new national bicameral parliament—to be elected in the country's 1st elections open to all racial groups, on April 27—which will select the president and write a permanent constitution.

SRI LANKA

Nov. 14—Government troops recapture the Pooneryn army and navy complex on the Jaffna Peninsula in northern Sri Lanka after 3 days of fighting with Liberation Tigers of Tamil Eelam insurgents; the government says 500 troops are dead or missing, and puts the number of rebels killed at 700; some 30,000 people have died in the Tamil minority's 10-year-old war for an independent homeland.

TAIWAN

Nov. 8—In Taipei, the Chinese hijacker of a Chinese airliner requests political asylum and surrenders to Taiwanese authorities, who hold him for trial rather than extraditing him; this is the 6th such hijacking in 7 months.

THAILAND

(See *Libya*)

TURKEY

(See also *Germany*)

Nov. 21—Authorities in Ankara report 10 government troops were killed in an overnight attack by Kurdish guerrillas who entered Turkey from northern Iraq; 21 guerrillas died in the raid, the officials say.

UKRAINE

Nov. 10—Authorities report the arrests of self-proclaimed "messiah" Maria Devi Khristos and the alleged organizer of her White Brotherhood cult, who had planned a crucifixion tomorrow in Kiev preparatory to what cult literature said would be the end of the world November 14; thousands of teenagers were reported heading to the capital to participate in a mass suicide; in the past few weeks police have detained more than 800 cult members.

Nov. 18—In a 254-9 vote, parliament ratifies the 1991 Strategic Arms Reduction Treaty (START I), interpreting its terms as requiring the destruction of 36% of Ukraine's 176 long-range missiles and 42% of its approximately 1,650 nuclear warheads.

UNITED KINGDOM

Great Britain

Nov. 28—Secretary of State for Northern Ireland Patrick Mayhew acknowledges that the government has for years had secret low-level official contact with the Irish Republican Army and has stepped up contact since the IRA offered it an unannounced cease-fire in February.

UNITED STATES

(See also *International, UN; Iran; Iraq*)

Nov. 10—Prime Minister Yitzhak Rabin of Israel officially requests that President Bill Clinton release Jonathan Pollard, a US citizen who was convicted of spying for Israel in 1987 and is now serving a life sentence.

Nov. 17—The House of Representatives ratifies the North American Free Trade Agreement (NAFTA) by a vote of 234 to 200.

Nov. 18—The Clinton administration announces it will sell an \$8-million supercomputer to China and lift a ban on the sale of components for China's nuclear power plants.

Nov. 20—The Senate approves NAFTA, 61 to 38.

Nov. 24—Clinton, Secretary of State Warren Christopher, and National Security Adviser Anthony Lake meet with author Salman Rushdie, who is under a death threat decreed by the Iranian government for literary "sacrilege"; Rushdie has lived in hiding since 1989.

Nov. 30—Clinton announces that he "meant no disrespect" to Muslims by meeting with Rushdie.

Secretary of State Christopher says the US will send humanitarian aid to Bosnia and Herzegovina this winter but will not take an active part in mediating any peace negotiations.

UZBEKISTAN

Nov. 15—Formally abandoning the ruble, the country introduces a new national currency; of the 15 former Soviet republics, only Russia, Armenia, and Tajikistan retain the ruble as their official unit of currency.

VIETNAM

Nov. 15—After a trial in Hue, 4 Buddhist monks charged with inciting the country's largest public protest in Vietnam since the Vietnam War, which took place in this central city May 24, are sentenced to prison terms of 3 or 4 years; hundreds and perhaps thousands of people took part in the demonstration, which began after rumors of the arrest of the monastery's abbot.

YUGOSLAVIA

(See also *International, UN*)

Nov. 5—Serbian authorities arrest 18 leaders of the Chetnik Movement, a paramilitary wing of the Serbian Radical party. The Chetniks are accused of conducting ethnic cleansing operations in Croatia and Bosnia. ■

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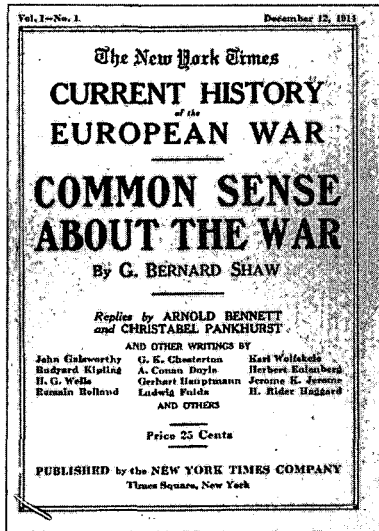
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Nations are like bees: they cannot kill except at the cost of their own lives.

– George Bernard Shaw, “Common Sense About the War,” December 12, 1914

Touch the ordinary American on his international nerve and he would murmur automatically: “Avoid entangling alliances.”

– Ray Stannard Baker, “The Versailles Treaty and After,” January 1924

As everyone knows, all politics under democracy is essentially the tice of quackery, and the first business of quackery is to scare the

– H. L. Mencken, “Notes on the New Deal,” August 1934

Now is the time at last to rouse the nation... We should lay aside hindrance and endeavor by uniting the whole force and spirit of ple to raise again a great British nation... [F]or such a nation, rising ancient vigor, can even at this hour save civilization.

– Winston Churchill, “What Can England Do about Hitler?,” October 1939

To the layman the Bill of Rights seems to be a stone wall against n of power. But in the hands of a congressional committee... it turns be so full of exceptions and qualifications that it might as well be series of arches.

– Henry Steele Commager, “The Right of Dissent,” October 1955

Baaskap, Bantu, Boer and Briton form the four sides of the South A dice. Unfortunately, the white South African is playing with a load.

– Joan L. Barkon, “Apartheid in South Africa,” 1961

The problems of survival in the currently tempestuous climate of n are of more import than ideology.

– Peter Arnett, “The National Liberation Front,” February 1969

...[T]he United States has become increasingly involved in the Middle East confrontation — as negotiator, arms supplier, business partner and military overseer. [S]ome...argue that the United States should be able to bring the opponents to the negotiating table. And, in fact, [it] has publicly accepted that responsibility...

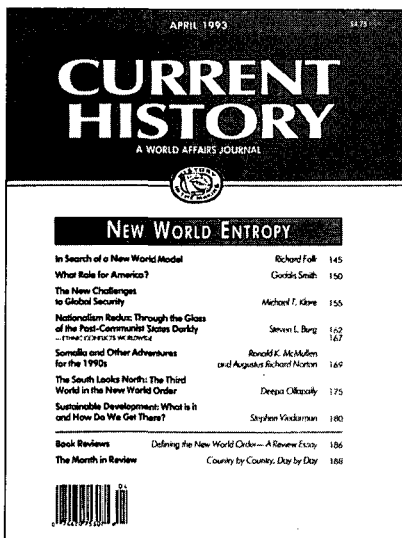
– Ann T. Schultz, “United States Policy in the Middle East,” January 1978

...the government has again erected a Great Wall of fear to separate the Chinese from foreigners.

– Steven I. Levine, “The Uncertain Future of Chinese Foreign Policy,” September 1989

Revolutions are made quickly. But the process of creation is long and tedious; it takes many years of hard work. We must create our country and ourselves. As a Radio Liberty listener wrote: “We destroyed our prison, but for some reason we expect the jailers to keep bringing swill to our cells.”

– Elena Bonner, “Looking to the Future,” October 1992



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